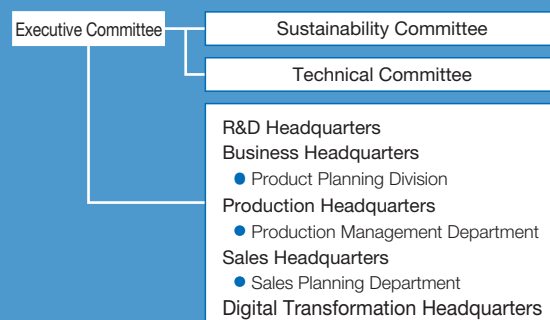


2 Support the enjoyment of mobility for all

We recognize that ensuring the sustainability of a mobility society is a key prerequisite directly linked to the Group's medium- to long-term business foundation as a manufacturer of tires and automotive parts. Based on this recognition, we have been working to improve product performance that reduces environmental impacts, enhances safety, and facilitates more efficient movement and transportation. In addition to advancing these fundamental performance aspects, we aim to create added value that supports the qualitative enrichment of a mobility society by offering products and services that cater to the diverse values in people's mobility-related lifestyles.



Reducing the environmental impact of mobility

Reducing vehicles' CO₂ emissions is a challenging issue that needs to be addressed throughout the supply chain in order to achieve carbon neutrality by 2050. We are pressing ahead with initiatives that contribute to reducing CO₂ emissions from mobility by improving tire performance, which affects energy consumption during driving.

We aim to contribute to a 20% reduction in CO₂ emissions per tire by 2030 compared with 2019. To achieve this target, we will steadily enhance fuel efficiency at each model change of our core products based on our medium-term product development plan, continuously building on performance improvements. Our R&D function is advancing platform technologies focused on reducing rolling resistance in anticipation of trends in the automotive industry and the performance levels required in the future. They also incorporate into product planning the needs identified by our sales function, based on the demand and actual usage conditions in each market. By combining these two perspectives and clearly defining functional and performance upgrades, including fuel efficiency performance, as development requirements, we bring them to life in the form of products.

The global shift toward EVs may be slowing, but electrification remains one of the most effective options for reducing automobile CO₂ emissions, so we expect the spread of EVs to continue as energy conditions and vehicle usage in each country and region evolve. Given that considerable emphasis is placed on EV cruising range on a single charge, we are working to develop tires characterized by low power consumption that contributes to extending this range. At the same time, we are working to achieve performance that accommodates the increased vehicle weight from battery installation and the handling changes caused by the use of regenerative braking*1.

*1 A form of electric braking that uses shaft rotation power to convert kinetic energy into electrical energy that can be captured and reused, as opposed to, under normal conditions, using a motor to convert electric power into a driving rotational force

TRWP (tire and road wear particles) is dust generated by friction between a tire and the road surface, consisting of a mixture of tire tread material and road pavement material. Since TRWP is released into the environment, we recognize that reducing its generation is one important challenge for tire manufacturers. To address this challenge, we are working to improve wear resistance and reduce uneven wear through ongoing efforts in material development and optimization of tire-to-road contact performance.

As mobility is indispensable to social infrastructure, ensuring safe driving and stable transportation is key to realizing a sustainable mobility society. Trucks and buses form the foundation that underpins logistics and the flow of people, and tires that play a role in their operation are likewise required to ensure safety and reliability. Through research and development aimed at reducing uneven wear, we work to maintain the inherent performance of tires, such as water drainage performance, as well as handling stability, thereby helping to reduce driving risks. Furthermore, we believe that reducing uneven wear not only conserves resources by extending tire life, but also enhances comfort by reducing vibration and noise, and helps lessen driver workload by decreasing the frequency of tire replacements.

We are applying our integrated technological framework, THiiiNK, which combines our proprietary material design technology, simulation technology, and AI-driven design technology, to all product development. By expanding the scope of model-based development, we aim not only to improve the accuracy and speed of design and evaluation, but also to eventually achieve prototype-free development and virtual evaluation, thereby reducing the environmental impact associated with manufacturing and disposing of evaluation prototypes.

Due to heavy rainfall and other events caused by intensifying climate change, road surface conditions during driving can now change rapidly, making it increasingly important for us to ensure stable driving performance in our tires. We consider the enhancement of wet performance as a key development theme and are advancing product development that delivers stable grip and water drainage performance even on wet road surfaces. We will contribute to the realization of mobility that can be used with confidence by anticipating a wide variety of driving conditions.

Safety + Comfort + Environment

- Premium tire for kei-class tall wagons

This tire ensures handling stability and soundproofing through tread pattern design that takes into account the swaying characteristic of tall wagons during driving. Furthermore, by adopting a fuel-efficient compound developed with our proprietary material design technology, this tire reduces rolling resistance by 9%*2 and improves wet-braking performance by 12%*3 compared with our previous products, thereby achieving both greater energy efficiency (fuel economy) and safety.

*2 [Test conditions]

●Location: Toyo Tire Corporation indoor drum-type rolling resistance testing equipment ●Test method: ISO 28580 force-type ●Tire size: TRANPATH LuK 155/65R14 75H; PROXES LuK II 155/65R14 75H ●Rim size: 14 x 4.5

- Tire pressure: 210 kPa
- Load: 3.04 kN
- Speed: 80 km/h

*3 [Test conditions]

- Location: Toyo Tire Corporation tire proving ground
- Vehicle used: Daihatsu Tanto
- Model: 5BA-LA650S
- Engine capacity: 0.65 L (with ABS)
- Driving system: Front-wheel drive

- Tire size: TRANPATH LuK 155/65R14 75H; PROXES LuK II 155/65R14 75H
- Rim size: 14 x 4.5
- Tire pressure: Front 240 kPa; Rear 240 kPa
- Load: Equivalent to two passengers
- Test method: JATMA test method
- Speed: From 100 km/h to 0 km/h
- Road type: Asphalt (wet surface)
- Water depth: Approximately 1 mm
- Average braking distance: PROXES LuK II (53.7 m); TRANPATH LuK (61.1 m)

**PROXES LUK II**

Safety + Environment

NANOENERGY M648 EV

— Tire for fixed-route EV electric buses

We are making multilateral improvements in materials, structure, and tread pattern design to address the load conditions unique to EVs, such as increased vehicle weight and high torque. In particular, by adopting a wear-resistant NCP compound developed with our proprietary material design technology, this tire improves wear resistance by 8%*4 and reduces rolling resistance, which affects electric power efficiency, by 4%*5 compared with our previous products. We aim to deliver value that contributes to reducing environmental impact and improving operational efficiency in the public transportation sector by extending tire life, lowering energy consumption, and easing the burden of tire replacement and maintenance.

- *4 [Test conditions]
 ● Evaluated size: 275/70R22.5 148/145J ● Location: Near Itsukaichi, Akiruno City
 ● Distance traveled: 9,084 km (vehicle A) and 9,366 km (vehicle B)
 ● Vehicle used: BYD K8; Axle arrangement: 2-D ● Rated output: 150 kW
 ● Rim size: 22.5 x 8.25 ● Tire pressure: 900 kPa ● Rotation: Yes
 ● Evaluation method: Comparison of total average estimated wear life of rear axle (calculated using a minimum remaining tread depth of 1.6 mm)
- *5 Measurement method: Rolling resistance values measured using the Toyo Tire Corporation indoor drum-type rolling resistance testing equipment.
 [Test conditions]
 ● Evaluated size: 275/70R22.5 148/145J ● Location: Toyo Tire Corporation Kuwana Plant
 ● Testing equipment: TB rolling resistance testing equipment
 ● Test method: UN R117 force-type ● Rim size: 22.5 x 8.25 ● Tire pressure: 900 kPa
 ● Load: 26.26 kN ● Speed: 60 km/h



Safety + Environment

M630

— All-weather tire for trucks and buses

This product was developed with a focus on reducing shoulder wear, which is a common issue in large four-axle low-floor trucks used in the logistics industry. By adopting a new tread pattern that effectively suppresses block deformation, this tire reduces shoulder wear—which shortens replacement cycles—by 61%*6 compared with our previous products. Furthermore, by optimizing block rigidity and stabilizing the contact footprint, this tire also achieves a reduction in rolling resistance.

This product was developed through collaboration with customers on tire concept planning and performance verification using actual operational data,

thereby contributing to enhanced safety and improved economic efficiency under real operating conditions.

- *6 [Test conditions]
 ● Evaluated size: 245/70R19.5 136/134J ● Location: Transport between Nara and Tokyo (operated on the same route by the same user using the same vehicle type)
 ● Vehicle used: Mitsubishi 2PG-FS74HZ (engine capacity of 10.67 L)
 ● Distance traveled: 87,512 km (M630); 117,207 km (M646)
 ● Rim size: 19.5 x 6.75 ● Tire pressure: 850 kPa
 Rotation: No Evaluation method: Comparison of wear differences on the second front axle (converted to 100,000 km)



M630

VOICE

Toyo Tire Japan Co., Ltd.
Toshimitsu Yamada



This development began as a result of an encounter with Fuji Transport Company at an exhibition in 2019. To address the challenges of our customer, we sought to deliver a level of performance exceeding that of other companies' products, and we accordingly propelled development and commercialization through continuous dialogue and integrated efforts across production, sales, and R&D. In preliminary evaluations, the product's effectiveness in reducing uneven wear was rated highly.

Technology Development Division
 TB Tire Development Dept.
Yuji Izuhara



The M630 is a product that tackles our customers' challenges by pursuing both uneven wear resistance and overall wear resistance. Even though limiting uneven wear and maintaining wear durability are typically design trade-offs, we achieved both by increasing the tread width and block rigidity, thereby preventing shoulder wear while ensuring a level of wear resistance. As a result, more uniform wear also helps lower maintenance requirements, for example by reducing the frequency of tire rotations.

Toward a fulfilling mobility life, inspired by the joy of driving

We are working to create value along two axes: fundamental value that supports a mobility society (measures to address safety and the environment) and added value that enhances people's quality of life (enjoyment and diversity).

In addition to improving basic tire performance and sustainability requirements, we are advancing technological developments and commercializing products in pursuit of ultimate driving enjoyment and exquisite design features, beginning with value creation that resonates with the sensibilities of users. To that end, we are deepening our understanding of customer insights through market research while also exploring design trends and accumulating design pattern

expertise. We believe that our purpose lies in supporting the qualitative enrichment of people's mobility-related lifestyles through this series of activities.

The Open Country series, which offers a high degree of balance between functionality and design, has garnered high praise and support from users who share the brand's values not only in North America but also in Japan and other Asian countries, and its size lineup continues to expand. Furthermore, we are responding to the broad-ranging preferences of users by expanding the lineup with visually appealing options such as white-letter designs. (Refer to the Product Strategy section on page 27 for more information)

Examples of products that contribute to value creation

Driving enjoyment + Environment

OPEN COUNTRY H/T II

— Highway terrain tire*7



OPEN COUNTRY H/T II

This product was developed in response to user demand for a lineup that combines aggressive tread pattern designs with performance more attuned to city driving. By adopting a super-active polymer that enhances silica dispersion to improve rubber strength through our proprietary material design technology, this tire optimizes fuel efficiency, wet performance, and wear resistance while achieving a high degree of balance with designability.

*7 A category of quieter tires that are better suited to driving on paved roads and highways and offer higher degree of driving comfort than the all-terrain category.

Providing value for evolving mobility in a changing society

In Japan, the deployment of so-called green slow mobility*8 services is progressing as one solution to a wide range of social issues faced by local communities, including the uptake of low-carbon mobility, the viability of local transportation in aging communities, and the rollout of new mobility services as tourism resources.

Our "noair" airless tire features a structure that does not use air, eliminating the need for puncture repairs or air pressure maintenance. This means less maintenance overall is required, while still achieving stable driving performance. In particular, in addition to its application in green slow mobility services, which operate at low and constant speeds, we believe this technology has the potential to be used in operating environments with limited maintenance opportunities because it can help prevent decreased performance and safety risks resulting from insufficient maintenance. Furthermore, we are

working to reduce rolling resistance and weight, which is also expected to help lower environmental impacts by reducing energy consumption during driving. We are also pressing ahead with demonstration testing with a view to practical application. For example, we provided electric carts equipped with "noair" tires for use by officials involved in the operation and management of the 2025 World Expo.

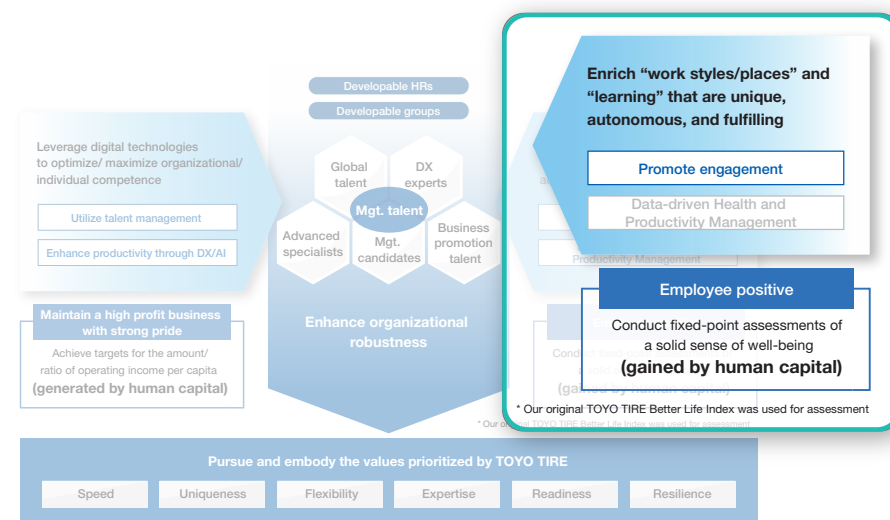
*8 A small mobility service that uses electric vehicles permitted on public roads that are capable of speeds up to 20 km/h



Promoting diverse talent engagement

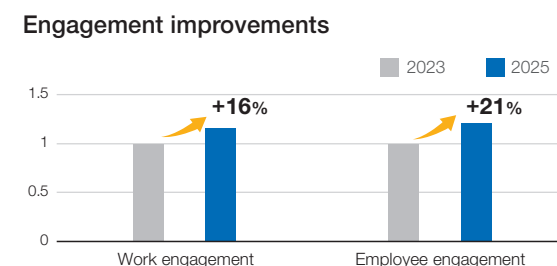
We conduct employee awareness surveys every two years to monitor organizational health at fixed points, with the aim of improving engagement and facilitating optimal and accurate management. Since the 2025 survey, we have been analyzing results in greater detail across two dimensions: work engagement (job motivation) and

employee engagement (trust in and attachment to the Company). We are building action plans that interweave bottom-up initiatives with the conventional top-down approach to steadily enhance engagement.



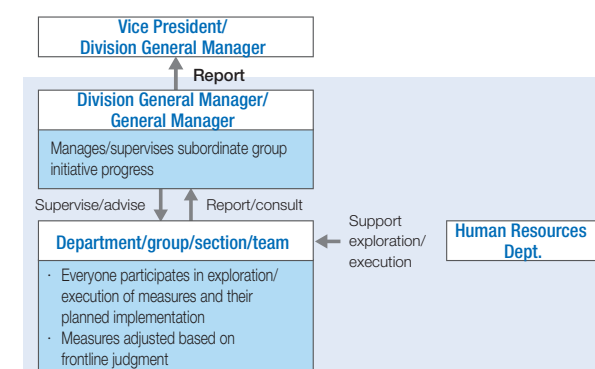
Employee awareness survey results and improved areas

As a result of implementing effective action plans to improve the organizational circumstances and challenges highlighted in the previous survey, we achieved a significant 16% improvement in work engagement (job motivation) and 21% improvement in employee engagement (trust in and attachment to the Company).



Initiatives from 2025

Since 2025, in addition to the conventional organizational improvement and enhancement measures (action plans) implemented by individual divisions and headquarters, we have been promoting bottom-up frontline-driven initiatives. To assist the implementation of more detailed bottom-up improvement and enhancement measures, we are not only conducting measures at the department level, but are breaking down organizational units further so that measures can also be implemented at the group or section level. Our ultimate aim is to establish systems that enable each member to proactively consider ways



to solve issues within their organizations and further improve job performance and working environments.

In addition, each organization works together with the HR department when considering and implementing these measures to better understand and specify the issues, and discusses the formulation of useful initiatives. While each department will take the lead on implementing future measures, the HR department will be there to provide timely support and help generate more effective improvements and enhancements.

We have set 2030 KPI targets for both work and employee engagement and will promote various initiatives

to help achieve those targets through the final year of the Medium-Term '26 Plan.

Engagement 2030 KPI targets

- Work engagement (job motivation): **A similar level to benchmark Japanese companies, or higher** (Toyo Tire Group (Japan))
- Employee engagement (trust and affinity toward the Company): **A similar level to benchmark Japanese companies, or higher** (Toyo Tire Group (Japan))

Practicing data-driven health management

We believe that any efforts to maintain or improve employee health are investments that will enhance profitability and generate other future benefits, so we position health (hygiene) management as a key management issue.

If employees can tackle their work with vitality and in good health, that will help increase productivity and invigorate our overall organization, ultimately generating

business growth and creating social value. On that basis, we are actively implementing a whole range of health management initiatives.

Toyo Tire health management organizes causal relationships from health investment to health benefits and productivity gains into [the health management strategy map](#).

Initiatives pursued to date

We managed to create a smoke-free environment across the Company in 2024 by pursuing attentive dialogues with employees and supporting employees who wanted to quit smoking. We also recommended 100% remote work for staff at our head office and other office sites during heatwaves to reduce the stress of commuting and prevent heatstroke. This was later adopted as a permanent option. We not only encourage discussions on how to further improve employee comfort and safety at our production sites, but are also always investing in improvement measures. Specifically, we are enhancing air conditioning equipment and heat-reflecting materials at production sites to create workplace environments that are both safe and comfortable.

As a result of these efforts, our overall investment in health promotion measures increased by 29%. We were selected, for the second consecutive year, as a White 500 stock in the large corporation category in Health & Productivity Management Outstanding Organization 2026 series recognized by the Japan's Ministry of Economy, Trade and Industry and the Japan Health Council



Evolving and deepening data-driven health management

As part of the Medium-term '26 Plan, various types of data on internal employees, such as health data, work data, and organizational information, were collected, turned into anonymous data so they could not be traced back to the individual employee, and then analyzed to help estimate any factors that might hinder health management efforts to improve productivity and enhance organizational vitality. Various measures were then formulated and the health management strategy map updated. We aim to achieve an even more sophisticated level of health management by also using data-driven analysis in the processes for confirming the effectiveness and validity of different initiatives.

Health management 2030 KPI targets

- Presenteeism: **-5pt** (compared to 2024) (Toyo Tire Corporation)
- Number of new leave takers: **20pt improvement** (compared to 2024) (Toyo Tire Corporation)
- Smoking rate: **10%** (Toyo Tire Corporation)

Human Rights

Our policy

The Global Human Rights & Labor Policy introduced in January 2019 sets out our clear commitment that, as our business globalizes and our stakeholders diversify, the Toyo Tire Group strives to carry out its business in a way that respects the human rights of everyone involved in our corporate activities, including those in our workplaces, at our suppliers, and within the communities where we operate, contributing to creating an inclusive society. We also engage with our suppliers to ensure that they understand our policy and encourage them to work with us to fulfill our common corporate responsibility to uphold human rights.

 Global Human Rights & Labor Policy

Organizational responsibilities (April 2026)

Our Group has established a system in which, according to the nature of the potentially affected rights holders and the anticipated risks, the departments responsible for specific human rights risks work with related departments to prevent human rights violations and mitigate our impact. The Corporate Infrastructure Division's ESG Promotion Department serves as the coordinating function, monitoring and managing the status of these initiatives through company-wide collaboration and adjustment. This information is reported to the Sustainability Committee, and the Executive Committee and Board of Directors as necessary.

Human rights due diligence

In accordance with our Global Human Rights & Labor Policy, we conduct human rights due diligence to identify and address any adverse human rights impacts (human rights risks) within our own business activities and our supply chain.

Advised by external experts in business and human rights, in 2023 we comprehensively identified and

assessed human rights risks, focusing on severity to identify our important risks of priority. We review these important risks annually and are continuously working to prevent and mitigate them.

Addressing important risks (forced and child labor)

We are aware of the risks of forced and child labor throughout our supply chain, and their potential to cause enormous and serious harm to rights holders. We have thus made this one of our most prioritized human rights issues out of all important risks, and have established

specific action plans for each type of rights holder that we are implementing to prevent these risks.

Results of initiatives for important risks can be found  on our website.

Group employees

We aim for zero incidents of forced and child labor among Group employees, and are implementing extensive measures to eliminate these risks. In 2023, we confirmed that there is no one under the age of 18 employed at any of our Group bases around the world. In 2024, we created guidelines for production bases to communicate the internationally-recognized definitions of forced and child labor, important information regarding labor practices and routine prevention measures and incidence response processes across the Group. In 2025, we used these

guidelines to conduct self-assessments at all production bases globally. The assessments confirmed that there is no forced or child labor at any of our production bases, and that age verification is being properly implemented during the hiring process to prevent child labor. Even at bases that have not recently conducted hiring, we gained valuable insights for strengthening our child labor prevention system, including the reaffirmation of important considerations for future hiring.

We will continue conducting self-assessments at least once every three years and training employees to further strengthen and embed our prevention systems.

Self-assessment period: Jan-Mar 2025

Production bases assessed: 13
Assessment topics: Forced labor, child labor
Assessment items: 19
Example assessment items:

- Is employee movement away from workplaces, dormitories or factories restricted outside of working hours?
- Is candidate age verification using official documents required during the hiring process?

Manufacturing contractors, distributors and raw material suppliers

We are enhancing our manufacturing contractor and distributor management in accordance with the Toyo Tire Group CSR Procurement Guidelines. In 2024, we distributed the Toyo Tire Group CSR Procurement Guidelines to 17 warehousing contractors in Japan and 31 manufacturing contractors around the world, focusing on those that need to be prioritized based on the work we outsource, and requested that they promote these initiatives. We conducted a survey at the same time, and received responses back from all companies that confirmed no serious human rights violations. Through these efforts, we will continue engaging with our business partners and visualizing their progress on human rights to identify risks as early as possible and take corrective action.

We are promoting engagement with our raw material suppliers through supplier assessments.

 Supply Chain P.62

TOYO TIRE Group CSR Procurement Guidelines

Survey period: Sept 2024-Feb 2025

Respondent companies: 17 warehousing contractors in Japan, 31 manufacturing contractors globally (with one company providing responses for two locations)
Survey topics: Forced labor, child labor, long working hours, insufficient or non-payment of wages, occupational health and safety
Questions: 29
Example questions:

- Do you have company rules or regulations about child labor?
- Do you conduct education or awareness-raising about health and safety?

Raising awareness of respect for human rights

We work continuously to raise awareness of the company's responsibility to respect human rights through e-learning sessions on our Corporate Code of Conduct as well as level-specific and other training. We also participate in human rights awareness activities at every region where our business sites are located, and strive to respect the human rights of everyone related to our

business operations, including those at our suppliers and within the communities where we operate. On Human Rights Day, the President of Toyo Tire Corporation sends a message to all Group employees, stressing the importance of having a foundation of deeply diverse talent to generate value through our business, and of demonstrating sincerity with all stakeholders.

Grievance mechanism

We have set up a number of grievance intake systems, including a natural rubber supply chain complaint desk and a harassment advice desk for employees. With each system, reports and concerns are investigated and corrective action taken as necessary according to established procedures, giving due consideration to the protection of privacy for those involved.

In 2025, there were no reports of human rights violations related to the natural rubber supply chain. All concerns regarding harassment from employees were responded to and investigated following designated procedures, and none were confirmed to constitute a serious human rights violation.

We calculated the financial impact of any risks that are expected to have a significant impact, and examined possible countermeasures

1. Impact of changing climate patterns on the procurement of natural rubber [risk]

Climate-related events/ financial impact on business	Impact amount/ impact timing	Calculation method	Countermeasures
Changes in climate patterns Changing climate patterns will generate changes in the areas in which natural rubber plants can grow, a deterioration in quality and other issues, all of which could increase the cost of natural rubber procurement	Approx. 0.7 to 9.7 billion yen (Medium-term: 2030)	(Minimum) Volume of natural rubber procurement × Increase in natural rubber prices ● The estimated volume of natural rubber procurement for 2030 is calculated on past trends ● The increase in natural rubber prices is calculated by averaging out the price increase in past months of high flooding across the whole year (Maximum) Increase in natural rubber procurement cost × Percentage increase in natural rubber procurement volume ● The increase in natural rubber procurement cost is set at the same level as the increase in procurement cost in years when large-scale flooding occurred ● The percentage increase in natural rubber procurement volume is the estimated percentage increase in procurement volume between the year when large-scale flooding occurred through to the year 2030	● Reduce the amount of natural rubber used in each tire by seeking to reduce tire weight while also paying due attention to reducing rolling resistance ● Continue efforts to increase the usage of sustainable raw materials and reduce consumption of natural rubber by gradually introducing products made from recycled raw materials such as recycled rubber from used tires ● Achieve stable natural rubber procurement by encouraging the entire supply chain to build solutions to issues faced by natural rubber production sites (deforestation, infringement of local residents' rights)

2. Impact of carbon pricing mechanism (risk)

Climate-related events/ financial impact on business	Impact amount/ impact timing	Calculation method	Countermeasures
Introduction of carbon pricing Introducing carbon pricing will boost the cost of CO ₂ emissions.	Approx. 0.5 billion yen (Medium-term: 2030)	Shortfall in CO ₂ reduction target × Carbon tax ● The shortfall in CO ₂ reduction targets is the volume outstanding supposing the Company's targeted CO ₂ volume reduction in 2030 is lower than expected by 10% ● The carbon tax is the 2030 carbon tax for developed countries designed to help achieve the 2050 net zero emissions target announced by the IEA ● The percentage increase in natural rubber procurement volume is the estimated percentage increase in procurement volume between the year when large-scale flooding occurred through to the year 2030	● The Toyo Tire Group will continue to reduce CO ₂ emissions through efficient energy use in our products and business activities inside and outside the organization ● Help reduce CO ₂ emissions by promoting the procurement of renewable energy at production sites using internal carbon pricing (ICP), as well as fuel conversion and equipment upgrades
	Approx. 5.7 billion yen (Medium-term: 2030)	CO ₂ emissions × Carbon tax ● CO ₂ emissions are the company's target for CO ₂ emissions in 2030 ● The carbon tax is the 2030 carbon tax for developed countries designed to help achieve the 2050 net zero emissions target announced by the IEA	

Climate-related metrics

- Greenhouse gas (GHG) emissions (Scope 1, 2, 3)
→2019-2025 results
- GHG emissions intensity
→2019-2025 results

Climate-related targets

GHG emissions reduction targets

Decided by the Sustainability Committee in November 2021 and approved by the Executive Committee in December 2021. Announced on February 15, 2022

Scope1, Scope2	GHG emissions: Reduce GHG emission by 50%* by 2030 compared to 2019 and aim to achieve carbon neutrality by 2050. * Target increased from 46% to 50% as decided by the Sustainability Committee in November 2025 and approved by the Executive Committee in December
Scope3	GHG emission per unit: Aim to help reduce GHG emissions per tire in 2030 by 20% compared to 2019.

Reducing greenhouse gas (GHG) emissions

Greenhouse gas emissions are seen as a major cause of climate change so the Toyo Tire Group is working to reduce GHG emissions through its products and business activities inside and outside the organization.

Scope 1, Scope2 initiatives

- While energy consumption inevitably increases with production volume, we are striving to address Scope 1 and Scope 2 emissions with initiatives such as the following.
- Optimizing heat sources (by switching from steam to electricity, etc.) to reduce heat loss
 - Reinforcing heat insulation of steam pipes and metal molds and removing unneeded pipes to reduce heat loss
 - Applying radiative cooling paint to buildings to reduce cooling load
 - Using steam highly efficiently (utilizing waste heat and installing accumulators) and upgrading to highly efficient equipment to increase energy efficiency
 - Converting forklift trucks to electric power (11 units were converted in 2025, achieving an annualized CO₂ emissions reduction of approximately 450 tons)
 - Converting boilers to gas fuel with fewer GHG emissions (completed at all bases in Japan, except those requiring major gas infrastructure development)

Scope 3 initiatives

The Toyo Tire Group aims to contribute to a 20% reduction in Scope 3 GHG emissions per tire by 2030 compared to 2019. A calculation of GHG emissions throughout the Group's value chain based on the Japan Automobile Tyre Manufacturers Association's (JATMA) Tyre LCCO₂ Calculation Guidelines Ver. 3.0.1 revealed that emissions from the Category 11 product use phase account for at least 80% of overall GHG emitted.

Our technical division is working to develop technologies to enhance fuel efficiency of tires by reducing their rolling resistance and weight. The Group is planning to enlist the help of the Product Planning Division in upgrading fuel efficiency performance each time we change a tire model. As of 2025, emissions from PCR have been reduced by 3.0% compared to 2019, which is a reduction of 182 thousand tons-CO₂e.

Increasing use of renewable energy

From the second half of 2022, the Toyo Tire Group began switching electricity purchased primarily at production sites to power derived from renewable sources. We will systematically promote efforts to achieve a global 90% renewable energy usage ratio by 2030. That ratio stood at 91.9% on a purchased electricity basis at the end of 2025 (on a purchased electricity basis). We are also actively introducing photovoltaic (PV) power generation systems for in-house use. We have installed photovoltaic (PV) power generation systems at several bases, including our plants in Serbia and Malaysia and our Corporate Technology Center in Japan, which are expected to reduce CO₂ emissions

by approximately 19,000 tons per year. As part of our efforts to increase our use of renewable energy, we began procuring electricity for our Kuwana Plant via an off-site power purchase agreement (PPA) in July 2026. The power source is specific solar power generation facilities located in the Chubu region (central Japan), from which we receive both the electricity generated and its associated environmental value in the form of certificates. These facilities have a total of installed capacity of approximately 7.8 kW and an estimated annual power generation of approximately 9.7 MWh. We will continue using off-site PPA and other approaches to steadily and systematically adopt renewable energy.

Energy Consumption

(thousand GJ)				
	2022	2023	2024	2025
Total energy consumption	7,370.8	7,686.9	7,328.5	7,211.3
Consumption of fuel from non-renewable energy	5,130.8	5,302.7	5,133.2	5,063.2
Purchased electricity consumption	1,923.5	2,027.6	1,853.7	1,854.0
Percentage of purchased electricity with a renewable energy certificate	5.9%	71.1%	85.5%	91.9%
Consumption of purchased electricity from renewable energy sources, consumption equivalent to procurement of non-fossil certificates	114.2	1,442.5	1,584.2	1,703.9
Consumption of fuel from renewable energy sources (photovoltaics)	0.7	41.1	112.5	115.5
Purchased steam consumption	315.8	315.4	229.1	178.6

GHG emissions

(Thousand t-CO ₂ e)								
		2019	2020	2021	2022	2023	2024	2025
Total direct (Scope 1) GHG emissions	CO ₂ emission derived from energy	296.3	263.8	268.2	265.3	274.5	265.1	260.6
	CO ₂ emissions associated with the use of dry ice	—	—	—	—	—	—	0.2
	CH ₄ and N ₂ O emissions from the use of natural gas and city gas	—	—	—	—	—	3.6	1.7
	HFC emissions	—	—	—	—	—	—	0.3
Total indirect (Scope 2) GHG emissions	Location based	294.6	271.6	284.4	253.6	280.5	244.6	240.5
	Market based	—	—	—	—	105.8	55.2	34.2
Total other indirect (Scope 3) GHG emissions		13,626.4	12,059.8	12,932.2	13,019.8	16,388.7	14,784.5	14,780.3
	Category1	—	—	—	—	—	2,325.0	2,373.8
	Category2	—	—	—	—	—	81.7	95.7
	Category3	—	—	—	—	—	106.4	104.3
	Category4	—	—	—	—	—	140.1	284.0
	Category5	—	—	—	—	—	11.1	10.7
	Category6	—	—	—	—	—	1.6	1.6
	Category7	—	—	—	—	—	5.4	5.5
	Category10	—	—	—	—	—	4.0	4.2
	Category11	—	—	—	—	—	11,879.0	11,655.9
	Category12	—	—	—	—	—	227.7	242.4
	Category15	—	—	—	—	—	2.5	2.1

SBTi* initiatives

In November 2024, Toyo Tire Corporation received SBT certification from the Science Based Targets Initiative (SBTi) for its GHG emissions reduction targets set for 2030, which are based on scientific evidence to limit global warming to within 1.5°C.

*SBTi: The Science Based Targets Initiative is designed to achieve a goal of limiting any rise in average global temperatures to 1.5°C. It is aligned with the Paris Agreement's long-term goal of keeping the global average temperature rise well below 2°C above pre-industrial levels and to pursue efforts to limit the increase to 1.5°C.

Classification	Target
•Scope1 •Scope2	46.20% reduction in total emissions by 2030 (compared to 2019)
•Scope3 (Category 1)	Science-based targets to be set by suppliers accounting for 89.00% of emissions connected to purchased goods and services by 2029.

CDP Climate Change Assessment

In the 2025 assessment by the international environmental disclosure platform CDP, we received an “A” rating—the highest possible rating—in the climate change category. This is based on a comprehensive evaluation of our climate change-related governance, strategy, risk management, metrics and targets, and disclosure transparency. We have continuously focused on efforts such as enhancing disclosures based on TCFD

recommendations, reducing greenhouse gas emissions, and expanding our use of renewable energy. Going forward, we will continue to prioritize climate change as one of our most important management issues, and remain committed to promoting effective measures and enhancing the quality of our disclosures to help achieve a sustainable society.

Efficient and sustainable logistics

We are promoting efficient and sustainable logistics to address the growing shortage of truck drivers and changes in the logistics industry environment. Based on the amended Act on Advancement of Logistics Efficiency, which will come into full effect in 2026, we are strengthening our company-wide management structure as a specified consignor by appointing logistics managers and formulating longer-term plans, thereby building on our previous efforts.

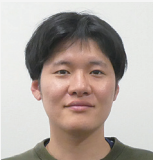
Going forward, we will press ahead with initiatives that improve logistics productivity while reducing driver workloads and ensuring safety by establishing KPIs related to truck waiting times and cargo handling efficiency, and strengthening data-driven management. We will also bolster collaboration among relevant departments and aim to build a stable logistics framework through continuous improvement.

Specific initiatives

- Promoted a modal shift in long-distance truck transportation, where the burden on drivers is high
 1. Introduced and expanded coastal container transportation from the Kuwana Logistics Center
 2. Introduced and expanded JR large container transportation from the Sendai and Kuwana Logistics Centers
- Improved the efficiency of truck cargo handling and visualized and reduced stand-by times through scheduled vehicle dispatching, the use of IT tools, the introduction of loading assistance by warehouse staff, and the installation of simple conveyors
- Installed monitoring cameras at logistics centers in each plant and distribution centers in Japan to ensure safe operation; installed monitoring cameras to ensure safe forklift operation



Americas Sales Division
Americas Sales Dept. **Atsushi Yamamoto**

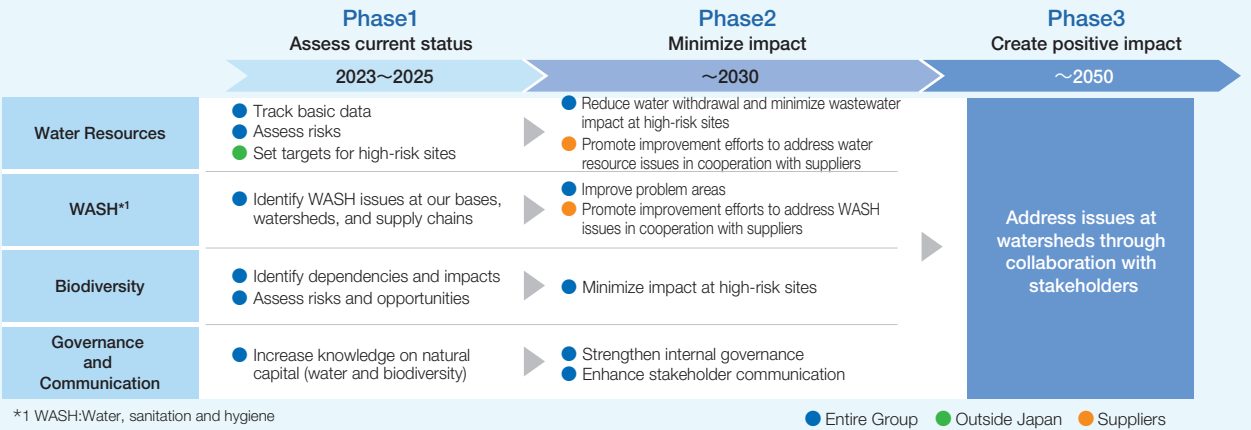


Through my work in sales and shipping operations to Central and South America, I have realized that improving transportation efficiency leads to both a smaller environmental footprint and higher profitability. By maximizing container loading efficiency and reducing the number of shipments, we are cutting CO₂ emissions while also improving profit margins through lower logistics costs. We are also working to visualize transportation status and we hope to contribute to achieving both sustainability and strong business results.

Natural Capital

Our policy

In 2023, the Taskforce on Nature-related Financial Disclosures (TNFD) published version 1.0 of its recommendations and the Science Based Targets Network (SBTN) published version 1.0 of its guidance for setting Science Based Targets for Nature (SBTs for Nature), which clearly set out the role that companies must play for nature: avoid and reduce the impact of their business activities, and regenerate and restore ecosystems. We recognize that our operations depend on natural capital including natural rubber and water resources, and that we as a company have a significant impact on nature. In 2023, we established a long-term roadmap that guides our operations onto a sustainable footing by assessing the current status of the locations where we operate, minimizing our negative impact on nature, and creating a positive impact.



Addressing nature-related risks and opportunities

In 2025, we assessed the natural rubber plantations and natural rubber processing plants in the upstream of our supply chain, as well as the production bases we operate directly, in order to identify risks and opportunities, taking account of our dependencies and impacts on natural capital.

Dependency and impact on natural capital

Using the tool recommended by the TNFD for assessing dependencies and impacts on natural capital (ENCORE^{*2}), we have conducted assessments of the dependencies and impacts of our business activities based on the actual processes they involve and identified areas of relatively high dependency and impact as shown in the table below.

*2 A tool that helps users to examine their exposure to nature-related risks and understand their dependencies and impacts on nature.

Dependencies/Impacts			Dependencies																			Impacts									
Category			Provisioning services		Regulating and maintenance services														Cultural services	Resources	Changes in use	Emissions and discharges			Invasive alien species						
Sub-category			Biomass provisioning	Genetic material	Other provisioning	Global climate regulation	Rainfall pattern regulation	Local climate regulation	Air filtration	Soil quality regulation	Soil and sediment retention	Solid waste remediation	Water purification	Water flow regulation	Flood mitigation	Storm mitigation	Pollination	Biological control	Nursery population and habitat maintenance	Other regulating and maintenance services	Education, scientific and research	Spiritual, artistic and symbolic	Water use	Other biotic resource extraction	Area of land use	Area of freshwater use	Emissions of toxic pollutants	Emissions of nutrient pollutants	Generation and release of solid waste	Disturbances (ex. noise, light)	Invasive alien species
Operational stages	Upstream	Cultivation of natural rubber																													
		Chemical processing of natural rubber																													
	Direct operations	Tire manufacturing																													
		Automotive part manufacturing																													

Dependency/impact level High Moderate Low

Risks and opportunities

Based on our dependencies and impacts shown above, we identified the nature-related risks and opportunities in our business operations. We then assessed the significance of these risks and opportunities and determined the following to be highly significant:

Risks

Value chain		Scenario	Category	Description	Possible risk	Financial impact
Upstream	Natural rubber plantations	Transition	Policy	Changes to legislation/regulations aimed at generating nature-positive impacts and reducing negative impacts	Introduction or tightening of regulations on land use and natural forest harvesting, restricting the expansion of natural rubber plantations	Increased procurement costs due to raw material price volatility and change of raw material suppliers
				Introduction or tightening of regulations on the use of nutrient pollutants and fertilizers, limiting the application of nutrients and fertilizers		
			Liability	Fines/penalties due to nature-negative outcomes (legal liability for nature-related risks)	Claims for damages by victims of our negative impacts on nature	
			Market	Shifting customer/investor values or preferences toward companies that generate nature-positive impacts and reduce negative impacts, and that offer products and/or services with lower nature dependency	Being required to switch to species more resilient to flooding and storms and to make environmental adaptations	
	Being required to switch to species that are productive with less fertilizer and to make environmental adaptations					
	Natural rubber processing plants	Physical	Chronic	Changes in sentiment toward the organization/brand due to impacts on nature	Deterioration in the company's reputation due to its negative impacts on nature	
Changes in the ecosystem services the organization is dependent on or impacted by				Deterioration of the freshwater provisioning and water flow regulation functions causing water resource reduction in the watershed and resulting in a decrease in the volume of natural rubber processed		
Direct operations		Transition	Market	Shifting customer/investor values or preferences toward companies that generate nature-positive impacts and reduce negative impacts, and that offer products and/or services with lower nature dependency	Boycotts by customers due to the company's failure to respond adequately to customers' demand for environmental impact reduction	Decrease in sales due to boycotts by customers
			Technology	Requirements to transition to more efficient, resilient and less environmentally damaging technologies, and to respond to new monitoring technologies used by regulators	Being required to introduce/develop new technologies for nature conservation and environmental impact reduction	Increased R&D costs due to introduction/development of new technologies

Opportunities

Value chain	Scenario	Category	Description	Possible opportunity	Financial impact
Direct operations	Business performance	Reputational capital	Actions that have nature-positive impacts/mitigate nature-negative impacts that improve the organization's reputation	Brand value improvement resulting from actions to avoid/reduce environmental damage and restore nature, and from effective messaging	Increase in sales due to improved brand value

Future plans

We identified the risks and opportunities in the upstream (cultivation and processing of natural rubber) and direct operations. Going forward, we will examine the local characteristics of these value chain in finer detail and consider how to manage the risks and create opportunities reflecting those characteristics.

7 Ensure the fundamentals of manufacturing: quality and safety

Our policy

Our principle for manufacturing is to provide high-quality and safe products and services that are useful to society, and we state our basic policy for product quality and code of conduct in the Toyo Tire Group Global Product Safety Policy. The policy clearly states that product safety and global environmental protection must be taken into consideration throughout the value chain, from the product planning, development and design stages to production, sales, use and after-use.

We operate a quality management system based on IATF 16949 (or ISO 9001 at some production sites) predominantly at our production bases, and take measures against risk.

—ISO 9001 certification (as of the end of May 2026)
Production bases: 12 sites (3 Toyo Tire Corporation sites*1, 9 affiliated company sites)
Sales bases (affiliated companies): 1 site

*1 The Kuwana Plant has independently acquired certification at two sites: its tire production plant and automobile parts plant.

—IATF 16949 certification (as of the end of March 2026)
Production bases: 8 sites (3 Toyo Tire Corporation sites, 5 affiliated company sites)

Organizational responsibilities (April 2026)

Quality Assurance, Environment & Safety Headquarters is responsible for promoting initiatives in this area, and reports progress to the Sustainability Committee.



Quality

Visualizing manufacturing quality using manufacturing execution systems (MES)

Improving production processes

Improving quality in the upstream stages of manufacturing is crucial, and we are committed to enhancing quality in both our products and the entire development and production process. For new products, our quality assurance divisions and other related departments work together to support design review at each stage from planning through production preparation, ensuring quality in both the product and the manufacturing process. We also use robotic process automation to help prevent human error and wrongdoing, as well as improve operational efficiency.

Visualizing manufacturing quality using manufacturing execution systems (MES)

We are currently implementing a manufacturing execution system (MES) that collects and visualizes quality and production data using automatic measuring instruments to predict and prevent issues in the manufacturing process. This system enables quality assurance and data-driven trend detection at each stage. We began operating an enhanced MES at our Serbia Plant in 2024, and have been gradually expanding its use to quality domains and other production bases, while also fostering data-centric talent.

Meeting the quality standards of each country

As environmental performance and quality regulations around the world become increasingly rigorous and complex in the context of climate change, our Group is committed to enhancing compliance with global quality standards. Each year we hold a Global Quality Management Committee meeting attended by quality assurance managers from our bases worldwide to discuss a range of topics including raising quality assurance standards, improving processes, strengthening process controls, regulatory trends, customer satisfaction, and quality training. We also maintain ISO/IEC 17025 accreditation at our four bases in Japan and continuously work to improve test accuracy and reliability.



ISO/IEC17025 certificate of accreditation

Example efforts to meet quality standards

- Collecting information locally
- Making recommendations by participating in industry groups
- Exchanging opinions with regulatory institutions
- Sharing information on the latest legal and regulatory trends
- Giving presentations on legal and regulatory matters



A Global Quality Management Committee meeting

Implementing an individual product management system using RFID^{*2}

In 2025, our Group joined the GDSO,^{*3} an international nonprofit organization established in May 2022 to standardize and share tire data within the tire industry. We have begun utilizing RFID to enhance our information management throughout the tire lifecycle, with the aim of leveraging the data we accumulate to offer high-value-added services such as retreading and maintenance through a solutions business in the future. Working toward this goal, we are progressively outfitting production facilities with technology and exploring ways to utilize tire data.



^{*2} Radio frequency identifier

^{*3} Global Data Service Organization for Tires and Automotive Components

Increasing customer satisfaction

Improving quality and customer satisfaction

As a manufacturer, we are committed to improving quality across the entire value chain, driven by the recognition that our Group impacts customers and society through our products and services.

Our quality assurance begins at the raw material procurement stage and continues at our production bases, where we are constantly striving to make improvements that raise quality standards. Our technical service departments continuously investigate customer product satisfaction levels in the market and provide feedback on the results to our planning, design and production departments.

Feedback and inquiries received by the Customer Relations Dept. are analyzed and used to improve our products and services. Our Group has also held quality control (QC) circle activities led by frontline employees for over 50 years, with about 200 circles now active company-wide in pursuit of better quality. We hold an annual Toyo Tire QC Circle Convention for groups to share their results and learn from one-another, which helps improve on-site capabilities at our production sites and enhances customer satisfaction.

Responding to consumer feedback

Feedback and suggestions from our customers are valuable opportunities to improve our products and services. Our customer service center in Japan received 2,584 inquiries in 2025, and we have made every effort to provide accurate and easy-to-understand responses. These voices are analyzed and shared with relevant

departments to improve the way we develop products and provide information. We respond to complaints promptly and courteously, working with sales and technical service departments to build and maintain trust with our customers.

Improving customer service quality

The Group's tire sales subsidiaries are dedicated to improving employee customer service skills and the technical skills of tire technicians so that consumers can choose our products with confidence, peace of mind and satisfaction. For example, Toyo Tire Japan Co., Ltd. and independent sales companies in Japan conduct job-specific training to help staff achieve the service quality required for roles such as sales and service. Sales associates receive training to develop the practical skills

needed to clearly and accurately convey product value and proper tire usage to customers, while technicians participate in a Truck and Bus Tire Servicing Contest to help improve their service level.

Promoting improved awareness of tire safety

As a tire manufacturer with a key role in the mobility industry, we believe that the responsibility of companies that produce and sell tires extends beyond product development, manufacturing and sales to include protecting the safety of customers. With this in mind, we communicate the importance of safety to the general public through our TOYO TIRES DRIVE SAFE PROJECT, which includes activities such as cooperating with JATMA to encourage tire inspections and raise safety awareness, providing special training related to tire inflation service,

conducting safety awareness activities to prevent wheel detachment accidents involving large vehicles, and raising safety awareness through drive simulator experiences. We promote the importance of safety to the general public through our TOYO TIRES DRIVE SAFE PROJECT using initiatives such as tire safety awareness activities, safety awareness promotion in partnership with JATMA, and a Truck and Bus Tire Servicing Contest for Group technicians.