

Message from the President

Pursuing Sustainability and Promoting Creation of an Entity that Can Win

Approaching a Historic Transition Period

In fiscal 2018, the Toyo Tires Group started on a journey under a new structure that is centered on the mobility field, a field that encompasses tires and automotive parts. The automobile industry is approaching a historic transition period that is being referred to as a “once in a century” event, and major changes have also begun to occur in the structure of industry. It is my opinion that the only way to survive this transition period is to pursue “Our goal is to be a company”, which the Group touted in its philosophy since 2017, and to fulfill our mission.

As our mission, we have promised society that we will “create excitement and surprise with our products that exceed customer expectations and enriches society.” In addition to improving the quality of the mobility life of our customers through our technology, products, and services, I believe that this transition period will also enable us to maximize the value of next-generation mobility and contribute to the creation of a sustainable mobility society. The entire Group is currently striving to promote business management and reinforce the supporting business foundation in order to achieve this mission.



T. Shimizu

Takashi Shimizu

Representative Director and President
Toyo Tire & Rubber Co., Ltd.

Sustainability of a Mobility Society Vital for Business Activities

The Toyo Tires Group is now concentrating its business resources on the mobility field and moving forward to implement our Mid-Term '17 Business Plan, which is our growth strategy. For example, in the Tire Business, we are working to increase production capacity in the U.S., Malaysia, and Japan as well as reinforcing R&D functions in the U.S. and Europe. We are also engaged in efforts to improve rubber material design platform technology. In addition, in the Automotive Parts, we are steadily moving forward with investments for future growth, including joint development with EV manufacturers.

On the other hand, as we expand the scope of the Group's business globally, the impact of our business activities on society and the global environment is growing and becoming more complex. Through our communication with stakeholders, including customers, business partners, and investors, we realize that there are demands of the Group to achieve both business growth while responding to social issues. For the Toyo Tires Group to sustainably grow and develop, we believe that it is important to move forward with our business activities with the awareness that the existence of a sound and sustainable mobility society, the foundation of this growth and development, is vital.

Promoting the Sustainability of the Toyo Tires Group

In January 2018, we identified environmental (E), social (S), and governance (G) issues that must be given priority, taking into consideration the major impact that they have on the decision making of our stakeholders as well as from the perspective of risks and opportunities stemming from the Group's business activities. Subsequently in May, we

positioned ESG issues as business issues related to the Group's sustainability and, based on approval of the Executive Committee, which serves as the decision-making body for business execution, we launched the Sustainability Promotion Working Group (WG) as an entity to undertake company-wide efforts. The WG brings together the responsible parties in related business organizations in the four topics of supply chain, environment, human rights and labor, and SDGs. It serves as a venue for discussions regarding the orientation and goals of efforts to tackle priority issues in collaboration with group companies both in Japan and overseas. In the future, based on the discussions by the WG, we will formulate policies that respect the standards and principles related to international norms and will fulfill our responsibility as a global company by undertaking business activities that adhere to those policies. As for progress in promoting the sustainability of the Group, we will also actively disseminate the CSR report.

“TOYO TIRE”, Resolutely Fulfilling its Responsibilities to a Mobility Society

At the 102nd General Meeting of Shareholders held on March 29, 2018, approval was obtained to change the company name to Toyo Tire Corporation as of January 1, 2019. With a new management system, we will be presenting a resolution for “TOYO TIRE” to be a genuinely global brand with renewed pride and reaffirming our responsibility towards this business. This change in our company name is a declaration of our intent to create a new history and continue to contribute to the mobility society.

Thank you for your continued support and encouragement.

July 2018