

Sustainability

Working to Build a Sustainable World

The business environment and the needs of society are constantly changing with the emergence of various social issues and environmental problems in recent years.

The TS TECH Group will continue to create new value while helping to build a sustainable world, always striving to remain a company that meets expectations and is sincerely appreciated by all.

Basic Policy on Sustainability

The TS TECH Group has consistently worked to raise corporate value sustainably and foster a corporate culture based on the two elements of our vision statement—being “A company dedicated to realizing people’s potential,” which expresses our belief that people are the decisive factor in a company, and being “A company sincerely appreciated by all” stakeholders and society.

We will help to resolve social issues by implementing our vision statement, with its twin aims of being “A company dedicated to realizing people’s potential” and being “A company sincerely appreciated by all.”

We will improve the overall corporate value of the Group.

We will hold responsible dialogues with all stakeholders and build trusting relationships.

November 2021, Resolution of Board of Directors

Promotion Framework

TS TECH established the Sustainability Committee as an advisory body to the Executive Committee, which is responsible for overseeing business operations. The Sustainability Committee discusses issues related to overall sustainability for the Group, including climate change measures, and manages these efforts Group-wide.

During the course of its deliberations, important risks are identified and then managed in collaboration with the Global Risk Management Committee, depending on the nature of the risks concerned. Matters deliberated by these two committees are shared with the Executive Committee, which then makes a formal decision on which matters are to be submitted to the Board of Directors for discussion.

We strive to achieve sustainable growth for the Group and resolve social issues by making decisions on sustainability initiatives at the management level.

Sustainability Committee

Role

As the advisory body to the Executive Committee, the Sustainability Committee decides on sustainability policies and manages the progress made in achieving related goals and discusses important measures.

- Confirmation of progress made toward achieving materiality KPIs (more than once a year)
- Discussion of initiatives to achieve carbon neutrality in 2050
- Identification of risks and opportunities related to sustainability and related scenario analysis (TCFD recommendations)
- Sharing of social trends and issues related to sustainability
- Establishment and operation of system aiming to foster awareness of sustainability within the company

Composition of the committee

This committee is chaired by the head of the Corporate Administration Division and made up of the heads of each

functional and regional division. The Corporate Communication Department serves as the secretariat.



*1 Corporate Sales and Purchasing Division, New Business Management Division, Corporate Development and Engineering Division, Corporate Manufacturing Division, Corporate Quality Assurance Division, Corporate Administration Division
*2 The Americas segment, China segment, Asia and Europe segment

Activity plans

The committee meets three times a year, in principle, and holds ad hoc meetings also when necessary.

Committee activities during fiscal 2025	Main agenda items
1st Meeting: May 30, 2024	<ul style="list-style-type: none">Discussed quantitative assessment of climate-related risks and opportunities for the Group, as well as information disclosureDiscussed the establishment of an internal award program (Social Contribution Activities Award)
2nd Meeting: October 31, 2024	<ul style="list-style-type: none">Discussed revision of TS Code of Conduct and Directives, and Basic Environmental PolicyReported on measures concerning climate change and biodiversityReported on donations by the TS TECH Fund
3rd Meeting: March 19, 2025	<ul style="list-style-type: none">Confirmed progress made on achieving 2030 targets relating to the Group’s material issuesReported on CO₂ reduction measures (energy conservation, renewable energy, Scope 3)Reported on the results of human rights risk surveys and measuresShared challenges identified from social demands and ESG external evaluation results

Initiatives to Foster Awareness of Sustainability

Embodying its vision statement of “A company dedicated to realizing people’s potential” and “A company sincerely appreciated by all,” the TS TECH Group carries out initiatives across different regions to help address diverse social issues and contribute to the realization of a sustainable society. We hold an annual internal awards ceremony featuring the Sustainability Award and the Social Contribution Activities Award to select exemplary practices from these initiatives and share them throughout the company. We recognize and honor employees who have contributed to our activities, aiming to boost individual motivation and foster awareness of sustainability.

Sustainability Award

This program recognizes initiatives that contribute to achieving materiality KPIs and resolving social issues through business activities. For fiscal 2025, we selected the following two cases as exemplary practices and recognized and rewarded the employees who worked on these initiatives.

1. Initiative to reduce environmental impact through the development of original recycled resin

The development of recycled resin materials that can be used at a similar cost to conventional materials is expected to contribute to reducing environmental impact.

2. Launch of electricity sales operations at the Thailand site and initiatives to reduce environmental impact through solar power generation

We have secured a difficult-to-obtain electricity sales license and established the Group’s first new business venture in this area. Going forward, we expect this venture to contribute to improving profitability and reducing environmental impact in the Thailand region.

Social Contribution Activities Award (newly established in fiscal 2025)

This annual award program recognizes and honors initiatives addressing social issues that cannot be resolved through business activities alone. It encompasses all corporate-led social contributions across our TS TECH Group, including those overseas. For the inaugural fiscal 2025, the Sustainability Committee screened numerous candidates and selected and awarded 15 projects.

Environmental field	1 project
Education support field	6 projects
Regional contribution field	8 projects

Social Contribution Activities Award: Examples of recipients

Forest conservation activities in collaboration with local communities

Tochigi workplace



Educational activities integrating community sports and community childcare support

Honda Cars SAITAMAKITA CO., LTD.



Rice packing activity in collaboration with a food assistance platform

TS TECH (HONG KONG) CO., LTD.

