

# Environment

## 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.



<sup>\*1</sup> Corporate Sales and Purchasing Division, New Business Management Division, Corporate Development and Engineering Division, Corporate Manufacturing Division, Corporate Quality Assurance Division, Corporate Administration Division, Corporate Business Administration Division, Corporate Managerial Planning Department

<sup>\*2</sup> 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 2024	Main agenda items
1st Meeting: May 30, 2023	<ul style="list-style-type: none"> <li>Discussed quantitative assessment of climate-related risks and opportunities for the Group, as well as information disclosure</li> <li>Discussed the creation of a human rights policy</li> <li>Discussed the revision of the TS TECH Supplier Sustainability Guidelines</li> </ul>
2nd Meeting: October 31, 2023	<ul style="list-style-type: none"> <li>Reported on measures related to climate change and resource recycling</li> <li>Discussed the establishment of an in-house award system related to sustainability</li> </ul>
3rd Meeting: March 21, 2024	<ul style="list-style-type: none"> <li>Confirmed progress made on achieving 2030 targets relating to the Group's material issues</li> <li>Reported on CO<sub>2</sub> reduction measures (energy conservation, renewable energy, Scope 3)</li> <li>Reported on the results of human rights risk surveys and measures</li> </ul>