

Toray Group's Approach to Climate Change

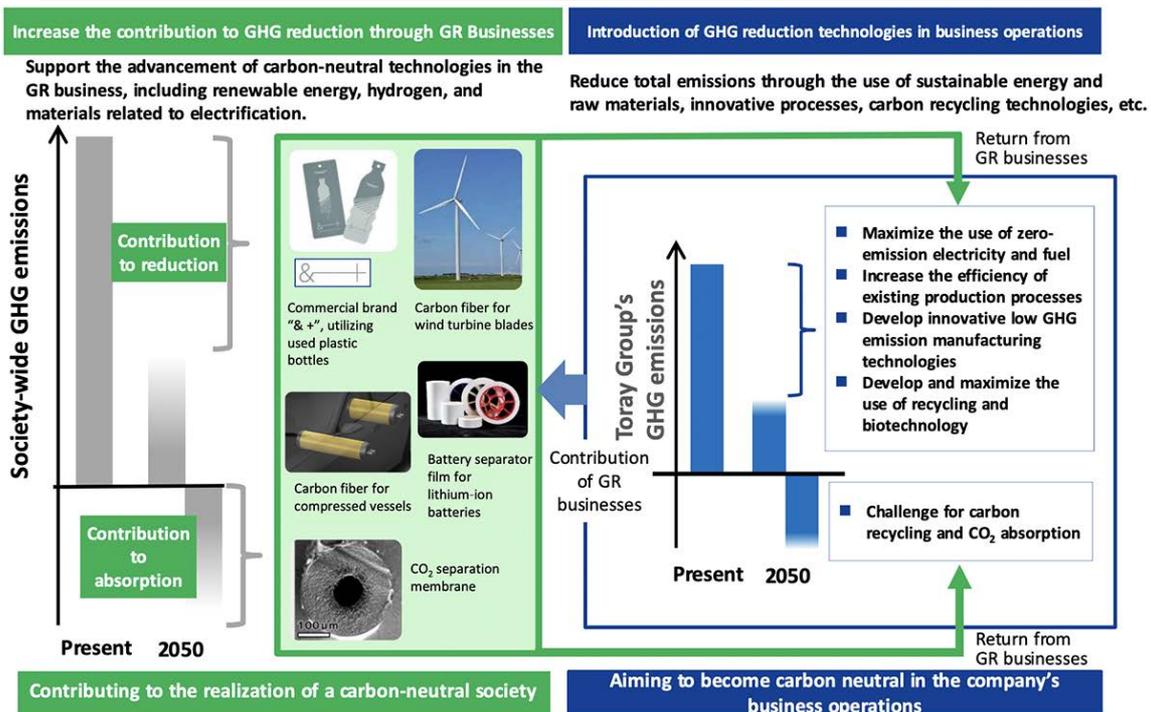
Toray Group is committed to its current corporate philosophy of “contributing to society through the creation of new value.” This is in keeping with a principle since Toray’s foundation in 1926 that corporations are public institutions that should contribute to society through business. Based on this corporate philosophy, Toray Group has for many decades focused on creating innovative technologies and advanced materials that provide solutions to various social challenges, including global environmental issues, and has helped to build a sustainable world.

The Group will help to reduce global greenhouse gas emissions and help to realize a carbon neutral world by 2050 by expanding the Green Innovation businesses that have long been a Toray focus, including renewable energy, hydrogen, and materials for electrification, and by developing products that help with greenhouse gas absorption, such as CO₂ separation membranes.

In addition, Toray Group aims to reduce its own greenhouse gas emissions and become carbon neutral by 2050. It will do this by expanding Green Innovation businesses, which in return will provide Toray Group with sustainable energy and raw materials, as well as by developing and introducing innovative processes and CO₂ recycling technology that utilize CO₂ as a resource.

Initiatives for Carbon Neutrality by 2050

- Challenge to develop, promote, and implement technologies for the transition to a net zero emissions society -



In May 2019, Toray Group declared its support for the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. In December 2019, Toray Group disclosed Group information related to the initiatives, which have been made prior to the declaration, to address climate change based on these TCFD recommendations.

Toray Group analyzed scenarios in line with the TCFD recommendations to identify its future business opportunities and risks, and how opportunities and risks associated with unpredictable climate change events could impact the Group. On April 1, 2021, the Group published the Toray Group TCFD Report 2021, which summarizes the climate change-related initiatives associated with the Group's business activity.

On the same day, the Group established the Sustainability Committee, chaired by the president, to accelerate Toray Group efforts to achieve sustainable growth and address issues related to climate change.

Toray Group will continue to actively disclose information related to climate change in accordance with the TCFD recommendations.



TCFD | TASK FORCE ON
CLIMATE-RELATED
FINANCIAL
DISCLOSURES

[Toray Group TCFD Report 2021](#) **PDF**
(2.88MB)

<Toray Group Efforts to Date>

One of the corporate commitments presented in Toray Group's Long-Term Corporate Vision, AP-G 2000, introduced in 1991, was to play an active role in protecting the global environment, and in the same year, the Group established the Global Environment Research Laboratory. In the following year (1992), the management of Toray Group affirmed its determination to take active steps to address global environmental issues, one of which was the formation of the company-wide Global Environment Committee.

In 2000, Toray Group formulated its Three-Year Environmental Plan of medium-term environmental protection goals, which included targets for reducing greenhouse gas emissions. The Group has continued to focus on these efforts and is currently focused on its Fifth Medium-Term Environmental Plan (achieve targets by FY2020).

In 2009, Toray Group established its Global Environment Business Strategic Planning Department under the direct control of the president for the purpose of promoting and supporting company-wide plans, development, and business integration of Toray Group global environment business strategies. Since 2011, under the Group's Long-Term Corporate Vision AP-Growth Toray 2020, this department has been central in efforts to expand the Group's Green Innovation businesses and promote Toray products and services that provide solutions to global environmental challenges and issues related to resources and energy.

Moreover, in the face of the increasing severity of such global environmental challenges as climate change, in July 2018 Toray Group announced the Toray Group Sustainability Vision, which sets out Toray Group initiatives and quantitative targets for fiscal 2030 with a view to realizing the World as Envisioned by Toray Group in 2050. The Group has continued to focus on promoting efforts to achieve this vision. In May 2020, Toray Group announced its Long-Term Corporate Vision, TORAY VISION 2030 – Achieving sound, sustainable growth and creating social value, which runs through the end of fiscal 2030. At the same time, the Group released its Medium-Term Management Program, Project AP-G 2022 “Resilience and Proactive Management” – Sustainable Growth and New Development, which covers the three-year period starting in fiscal 2020.

Based on its core values of contributing to society through its business activities, management from a long-term perspective, and people-centric management, Toray Group has established TORAY VISION 2030 with the aim of providing new value to society by focusing on the four perspective of the world envisioned under the Toray Group Sustainability Vision. This will be achieved by sharing Toray's management strengths in R&D, sales & marketing, and production, and by pursuing co-creation with the customers and business partners that make up the supply chain, all with a materials-oriented approach.

Project AP-G 2022 sets the following fiscal 2022 sustainability-related KPIs: 1 trillion yen in revenue from Green Innovation businesses, 300 billion yen in revenue from Life Innovation businesses, a 5.3-fold greater contribution to CO₂ reduction in the value chain compared to fiscal 2013, a 2.4-fold increase in water filtration throughput contribution by Toray's water treatment membranes, a 20% reduction in greenhouse gas emissions per unit of sales revenue in production activities, and a 25% reduction in water usage per unit of sales revenue in production activities.