

Statement on the UK's Modern Slavery Act

Toray Group is issuing this statement, which describes the efforts of Toray Group in fiscal 2024 to prevent slave labor and human trafficking in its business and supply chain, pursuant to Article 54 of the UK Modern Slavery Act.

1. Toray Group organization, business areas, and supply chain

Toray Group global operations include those relating to textiles, functional chemicals, carbon fiber composite materials, environment and engineering, and life sciences. As of March 31, 2025, the number of affiliated companies is 308 (113 in Japan and 195 overseas), and the number of employees is 47,914 (17,462 in Japan and 30,452 overseas).

For details on the organization and business areas of Toray Group, visit the Toray Industries website.

Website of Toray Industries, Inc.

<https://www.toray.com>

The Toray Group supply chain extends to diverse countries and regions around the world. In fiscal 2024, the Group's purchasing breakdown by business location was 42% in Japan, 39% in the rest of Asia, 6% in Europe, and 13% in the Americas, while the purchasing breakdown by business segment was 31% Fibers & Textiles, 23% Plastics & Chemicals, 16% Films, 12% Carbon Fibers Composite Materials, and 18% others.

Toray Group suppliers engage in a wide range of industries, from general trading companies and specialized traders to worldwide producers of petrochemicals, fuels, pharmaceuticals, molded products, packaging materials, machine tools, precision equipment, machine parts, materials processing and more. Depending on the purchasing environment, required specifications, and other factors, Toray Group engages in either regular or spot transactions and purchases from a wide range of primary suppliers, approximately 4,200, with offices around the world.

Socially Responsible Procurement Initiatives

https://www.toray.com/sustainability/activity/supply_chain/procurement.html

2. Toray Group policy regarding prevention of slave labor and human trafficking

(1) Toray Philosophy

Toray Industries, Inc. was established in 1926, based on the principle of “realizing that corporations are public institutions of society and contributing to society through our business.” Ever since, Toray Group has sought to earn the respect of society. The Group has organized its principles including the corporate philosophy of “contributing to society through the creation of new value with innovative ideas, technologies and products” in the form of the Toray Philosophy.

Toray Philosophy

<https://www.toray.com/aboutus/philosophy.html>

In the Toray Philosophy, the Corporate Guiding Principles include: “Ethics and Fairness: Acting with fairness, high ethical standards and a strong sense of responsibility while complying with laws, regulations and social norms to earn trust and meet social expectations” and “Respect for Human Rights: Fulfilling our responsibility to respect human rights as a good corporate citizen.” The Group has also established the Ethics & Compliance Code of Conduct and the Toray Group Policy for Human Rights as guidelines for those issues.

A. Ethics & Compliance Code of Conduct

Toray Group believes that respect for human rights is an essential management pillar in order to conduct business activities while building good relationships with all stakeholders. Based on this recognition, the Ethics & Compliance Code of Conduct includes items related to human rights compliance: “respecting the character and individuality of employees,” “preventing harassment and discrimination,” and “respecting the human rights of all stakeholders.” This is an important compliance rule that all officers and employees of Toray Group must follow.

Ethics & Compliance Code of Conduct

<https://www.toray.com/sustainability/activity/compliance/culture.html>

B. Toray Group Policy for Human Rights

Toray Group has established the Toray Group Policy for Human Rights in order to clarify its stance on respect for human rights. As part of this policy, the Group declares that it respects international norms such as the UN Universal Declaration of Human Rights, the ILO Conventions and the UN Guiding Principles on Business and Human Rights, and it strives to fulfill its responsibility to respect human rights as a good corporate citizen. It declares that it will not engage in child labor, forced labor, or unfair low-wage labor, and that it will strive to promote respect for human rights throughout the business supply chain. The Group will not participate in human rights violations.

Toray Group Policy for Human Rights

<https://www.toray.com/sustainability/activity/personnel/>

(2) Toray Group Corporate Social Responsibility (CSR) Policy

Toray Group embodies its corporate philosophy by integrating its business strategy and CSR activities to help solve social issues through business activities. To promote CSR activities, the Group has established CSR Guidelines and Toray Group CSR Procurement Policies.

A. CSR Guidelines

Toray Group promotes systematic CSR activities based on its CSR Guidelines including two items: Human Rights Promotion and Human Resource Development, and Establishing Sustainable Supply Chain. A medium-term CSR activity plan, the CSR Roadmap, is created and implemented based on the CSR Guidelines.

CSR Guidelines

<https://www.toray.com/sustainability/activity/>

CSR Roadmap 2025

https://www.toray.com/sustainability/stance/pdf/csrroadmap_2025.pdf

B. Toray Group CSR Procurement Policies

Toray Group is promoting CSR procurement by focusing on issues to be

addressed together with its supply chain. While the Toray Group CSR Procurement Policies specify the Group's commitment to building a supply chain that incorporates human rights considerations, the Toray Group CSR Procurement Guidelines provide specific and detailed guidelines for action requirements. Accordingly, Toray Group suppliers are required to respect human rights, while preventing forced labor, slave labor, child labor, and unfair low-wage labor.

Toray Group CSR Procurement Policies

Toray Group CSR Procurement Guidelines

https://www.toray.com/sustainability/activity/supply_chain/

3. Toray Group risk assessment, management and due diligence to prevent slave labor and human trafficking

(1) Identifying and minimizing human rights risks in Toray Group

Toray Group has established the Human Rights Promotion Committee in Japan and the Global Human Rights Promotion Committee under the Ethics and Compliance Committee chaired by the president of Toray Industries. By expanding the human rights promotion activities of both committees to each Toray Industries business site and factory, as well as to affiliated companies in Japan and overseas, the Group is striving to create a positive and supportive environment in all its workplaces.

In addition, Toray Industries conducts annual surveys on human rights promotion activities, including awareness raising and education, at each business site, factory, and major affiliated company. The survey results are reported to the Human Rights Promotion Committee in Japan and the Global Human Rights Promotion Committee. After identifying any issues, problems, and concerns regarding human rights, including child labor, forced labor, and unfair low-wage labor, improvement measures are investigated and implemented.

(2) CSR procurement activities in Toray Group including respect for human rights

Toray Group is working to strengthen CSR activities in its worldwide supply chain. Specifically, a CSR Procurement Working Group was established at Toray

Industries to ascertain the status of CSR initiatives at suppliers and to support the promotion of CSR procurement at affiliated companies. Meanwhile, the Risk Management Committee oversees risk management for the entire Group. It regularly reports on the status of CSR procurement and risk reduction activities group-wide, shares information, and deliberates on necessary response measures.

Toray Group has also taken a number of measures to identify human rights risks in the supply chain, including periodic implementation and evaluation of CSR procurement questionnaires sent to major suppliers. When problems are identified, the Group requests suppliers to make improvements and follows up regularly on improvements made through visits and other means, disclosing the results of these procedures on its website. In this way, the Group is working with suppliers to advance initiatives promoting respect for human rights in accordance with the process set forth in the Due Diligence Guidance for Responsible Business Conduct issued by the Organisation for Economic Co-operation and Development (OECD).

Toray Industries sends CSR procurement questionnaires to major suppliers every two years in principle, and comprehensively checks the status of CSR initiatives, including responses to human rights issues. In fiscal 2024, 451 companies responded to the questionnaires sent, and the results revealed that 99% of the companies had achieved the CSR compliance level required by Toray Industries. With the six suppliers that haven't met the required compliance level, the Company plans to conduct visits and interviews in fiscal 2025 to verify conditions on the ground and discuss and provide support with corrective actions and improvement measures. The Toray CSR Procurement Working Group plans and carries out a series of on-site audits of suppliers, even those that meet the required compliance level, in industries where the risk of negative impact is a concern. In fiscal 2024, the Company conducted audits of four suppliers. Following an audit, suppliers are presented with both an audit report and a follow-up sheet requesting that the supplier take measures for improvement. The Company then checks in intermittently to confirm progress on the improvements indicated on the follow-up sheet. In addition, over the three-year period from fiscal 2022 to fiscal 2024, Toray Industries presented a total of 539 major suppliers with the Toray Group CSR Procurement Guidelines, requesting their understanding of and compliance with these guidelines and submission of written confirmation of their consent. As a result, by the end of March 2025, 446 suppliers have signed letters of consent, further strengthening CSR promotion throughout the supply chain.

Each affiliated company in Japan is continuously working to improve its internal systems and rules for CSR procurement, and sends CSR procurement questionnaires to suppliers. In fiscal 2024, these companies sent CSR procurement questionnaires to major suppliers, receiving responses from 129 suppliers. The questionnaires are used to confirm progress on CSR at suppliers, as well as to provide feedback on ratings results to suppliers. Affiliated companies are proceeding with investigations and requests for improvement of suppliers identified as requiring further investigation. Affiliated companies also present major suppliers with the Toray Group CSR Procurement Guidelines, requesting their understanding of and compliance with these guidelines. Over the three-year period from fiscal 2022 to fiscal 2024, the guidelines were presented to a total of 1,553 suppliers. By the end of March 2025, a total of 1,414 suppliers, excluding 57 suppliers with which no future transactions are anticipated, have confirmed their consent and signed letters of consent.

Affiliated companies outside Japan also present major suppliers with the Toray Group CSR Procurement Guidelines, requesting their understanding of and compliance with these guidelines. Over the three-year period from fiscal 2022 to fiscal 2024, the guidelines were presented to a total of 2,341 suppliers. By the end of March 2025, a total of 1,779 suppliers, excluding 121 suppliers with which no future transactions are anticipated, have confirmed their consent and signed letters of consent.

Furthermore, as part of an effort to minimize risks and detect problems early, a dedicated hotline system which includes the Corporate Ethics and Legal Compliance Helpline, has been established that allows employees to report and discuss any human rights issues within Toray Group. Once a human rights complaint has been made, the hotline and the department in charge of the investigation work together to address the complaint. The facts are investigated with complete discretion to protect against any risk of negative impact on the individual reporting to or consulting with the hotline. If a problem is found, corrective guidance is provided to the department concerned, and appropriate measures are promptly taken. Toray Group has set up a hotline that enables anyone concerned to report and consult on human rights issues in the Group's supply chain. The hotline takes action in response to information received.

Whistleblowing System

<https://www.toray.com/sustainability/activity/compliance/culture.html>

4. Training

In addition, Toray Group has organized information concerning the Ethics & Compliance Code of Conduct and the Corporate Ethics and Legal Compliance Helpline to ensure a thorough understanding among all Toray Group officers and employees, including those at affiliated companies worldwide. Further, in fiscal 2024, human rights awareness brochures were distributed to all officers and employees at Toray Industries and its affiliated companies in Japan. Human rights workshops were also held at each company, and online training was carried out to further understanding of the Ethics & Compliance Code of Conduct and the Toray Group whistle-blowing system. In this way, the Group has worked to foster a workplace culture that respects the dignity of others. For affiliated companies outside Japan, the Group provided educational materials to facilitate compliance training tailored to the conditions of each country or region.

The Toray Industries Purchasing and Logistics Division regularly holds CSR procurement training sessions and seminars for employees in charge of purchasing and logistics operations. In order to raise the awareness and skill level of employees in charge of these operations, the sessions cover the laws, regulations, and taxation systems with which companies must comply in their purchasing and logistics operations. The Company continuously promotes awareness of CSR procurement among affiliated companies in and outside of Japan by distributing in-house educational materials that summarize the need for CSR procurement, the activities required, and examples of the risks involved. In fiscal 2024, Toray Group held compliance-related briefings for suppliers and briefings on basic logistics policy for logistics companies to explain and educate on the Toray Group CSR Procurement Guidelines. Affiliated companies outside of Japan also provide human rights-related education to their textile processing subcontractors in Asia.

5. Monitoring and Assessment

With its CSR procurement questionnaires, Toray Group has established a due diligence process based on its own unique questionnaire survey system to regularly monitor CSR initiatives at suppliers, assess conditions based on uniform standards that apply across the entire Group, provide assessment feedback to suppliers, and follow up with companies receiving poor assessments. This system raises supplier awareness, as well as efficiently and effectively identifies, prevents and reduces CSR-related risks in the supply chain. Through this process, Toray Group recognizes suppliers meeting the required CSR compliance level as CSR procurement partners.

The fiscal 2024 CSR procurement survey confirmed that 80% of suppliers (4 out of 5) that had failed to meet the required level of CSR compliance in the fiscal 2022 survey and were asked to undergo a fact-finding survey and implement improvement measures had, in fact, made improvements.

When poorly assessed companies demonstrate during follow-up a lack of commitment to making improvements, continue to be poorly assessed in CSR procurement questionnaires, take no corrective action for serious violations, or otherwise fail to meet the compliance levels that Toray requires, Toray Group may reevaluate further transactions with the supplier. Further, the Group has established the Toray Group Supply Chain CSR Promotion Guidebook, which is regularly distributed to suppliers as educational material during CSR procurement survey feedback sessions, as well as at other opportunities. The guidebook is used as part of the Toray supplier education and support program to promote and strengthen CSR along the supply chain.

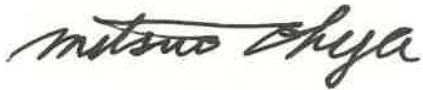
CSR Roadmap 2025 sets the rate of due diligence implementation along the supply chain as a KPI and promotes initiatives in this area. To achieve these goals, Toray Group has established a process for identifying major CSR procurement risks and suppliers requiring investigation as relates to country, region, and/or industry, as well as for conducting investigations and audits regarding the presence of risk and the implementation of improvement measures. In fiscal 2024, out of 2,220 major suppliers of 80 overseas affiliated companies, Toray Group identified three suppliers whose country, region, or industry poses a high risk related to human rights and labor issues, safety and health, or environmental conservation and implemented assessment. As a result, two of these suppliers were assessed as posing a low risk. For the one remaining supplier, the Groupe will conduct audit and follow-up when risks are present. Through these initiatives, Toray Group will strive to reduce the CSR procurement risk to the Group as a whole (The due diligence implementation target for fiscal 2024 was 60% or higher, with an actual implementation rate of 66.7%). The Group goal for fiscal 2025 is a due diligence implementation rate of 90% or higher.

6. Going forward

Toray Group will continue to promote human rights, including the prevention of slave labor and human trafficking throughout the Group and its supply chain, in accordance with the Ethics & Compliance Code of Conduct, the Toray Group Policy for Human Rights, the CSR Guidelines, and the Toray Group CSR Procurement Policies. The Group will continue striving to improve awareness of human rights issues by providing

human rights training for officers and employees, as well as via questionnaires and requests for CSR measures given to suppliers.

This statement was approved by the Board of Directors on September 26, 2025.

A handwritten signature in black ink, reading "Mitsuo Ohya". The signature is written in a cursive, flowing style.

Mitsuo Ohya
President, Toray Industries, Inc.
September 30, 2025