



2025

ENVIRONMENTAL
SUSTAINABILITY

Committed to a
Better Tomorrow,
Today.





PRESIDENT'S MESSAGE

Global goals. Local actions.

*"We have an important role in
caring for the planet"*

At Toyota Tsusho America (TAI), we are committed to caring for the planet and safeguarding Earth's resources – not only for the benefit of future generations, but for the continued success of our business and that of our customers. We are working daily to create a more sustainable society with programs and business practices that reduce carbon emissions, improve operational efficiency, and use our know-how to protect the environment. When we work together as one team with the goal of protecting our one planet, we become a vehicle for change.

We believe creating a more sustainable world starts at home and requires a proactive approach. That's why in the 70+ communities in North America where we operate and/or collaborate in joint ventures, our environmental policy is guided by the United Nation's Sustainable Development Goals (UN SDGs). We are integrating the SDGs into local actions across the North America region and are pleased to share examples of them in this report.

All of us within TAI must fulfill our responsibility to create more sustainable business practices. We believe highlighting the SDGs in TAI's environmental policy, commitments and actions, is a powerful step in the right direction for our company, our communities, and our shared future.

Beyond our own commitment, we also equip and enable our customers to advance their sustainability contributions through the sale of environmentally-friendly products and services. Our next-level technology, innovation, and logistics services keep our customers' supply chains efficient and responsive while also seizing opportunities for greater sustainability. From our focus on circular economy solutions to sustainable transportation solutions to greener infrastructure, and more, we help other companies to reduce their environmental impact.

While we have made considerable progress, in many ways, we are at the start of our journey. More action lies ahead, including strengthening our goals, measurement, and reporting. We look forward to advancing this work which is a crucial management issue and strategic business direction, and sharing additional details as they become available.

Sincerely,

Naoyuki Hata | President & CEO | Toyota Tsusho America, Inc.



Foundations of Our Environmental Sustainability Commitment

At Toyota Tsusho America, Inc. (TAI), we are committed to being responsible stewards of our planet's resources and carrying out our business activities in compliance with all relevant environmental laws and regulations, our Code of Conduct and Ethics (COCE), and industry standards.

We maintain our environmental management system (certified to ISO 14001:2015) by continuously evaluating and improving our environmental programs. Through internal education programs, we raise awareness and promote a thorough understanding of this environmental policy with all employees.

TAI is focused on four key environmental topics:

Climate Change, Water, Circular Economy and Biodiversity. Our efforts in each of these four areas also contribute to fulfillment of the UN SDGs. In 2015, the United Nations adopted the 2030 Agenda for Sustainable Development and 17 SDGs. These goals were created to promote, among other things, action on climate change, clean water and energy, responsible consumption, and strong partnerships across the globe. We align our four areas of environmental focus with the relevant SDGs as shown in the graphic.





Commitment to Addressing Climate Change

Our parent company, Toyota Tsusho Corporation (TTC), has identified climate change as a top priority and has directed all Group companies, including TAI, to contribute to the transition to a low carbon society by reducing CO₂ emissions through the use of clean energy and innovative technologies.

TAI's Goal

TAI aims to become carbon neutral by 2050. We will carry out our business activities in alignment with the international treaty known as the Paris Agreement, which has a goal of limiting the increase in global temperature to 1.5 degrees Celsius by 2050.

TAI's Approach

The transition to a carbon neutral society is both an urgent challenge and an opportunity to build a better future for all. We commit to driving meaningful change by collaborating with strategic partners – including our customers and business partners – to reduce emissions through investments in technologies, processes, and products that replace high CO₂-emitting sources with low carbon alternatives.



BRINGING ELECTRIFICATION TO AIRPORT RUNWAYS

Toyota Tsusho America's Supply Chain Division is leading the charge toward a greener future for the aviation industry. In April, TAI's Supply Chain Division unveiled its first prototype of an electric retrofit kit for Ground Support Equipment (GSE) baggage tractors, which has provided exceptional reliability, power, and performance. TAI's vision goes beyond refurbishing existing equipment; it's about creating a fully integrated system that prioritizes green renewable energy, high-power rare earth-free magnet motors, and an unwavering commitment to safety.

BRINGING SOLAR POWER TO TOYOTA MANUFACTURING

Toyota Tsusho America, Toyota North America, and Huntsville Utilities completed a 168-acre solar project in June 2024. The 30-megawatt, 168-acre, \$49 million solar project in the North Huntsville Industrial Park can supply 70% of Toyota Motor Manufacturing Alabama's energy and help reduce 22,000 metric tons of CO₂ emissions annually. Coming in 2025, a 125-megawatt solar power project will be completed in San Antonio to support Toyota Motor Manufacturing Texas. This plant will provide an estimated 330,000 megawatt-hours annually, which is equivalent to powering approximately 28,500 U.S. homes, and will contribute to reducing CO₂ emissions by roughly 230,000 metric tons per year.



Commitment to Conserving Water

Water shortages and deterioration of water quality are worsening on a global scale. These are environmental risks that impact people, communities, and the planet. They could also severely impact our business activities that rely on large quantities of water.

The sustainable use of water is a priority issue. We collaborate with our partners, including our water utilities, to find ways to reduce water consumption and increase water reuse through process improvements and investments in new technologies. We are committed to water conservation, especially in areas of high water stress. We will be evaluating our North American facilities over the coming year to assess water stress, both now and projected into the future.



Commitment to Promoting a Circular Economy

In the space of only seventeen years, the world's material footprint – the amount of raw materials extracted to meet final consumption demands – increased by 70%. The amount of waste generated is increasing in proportion. Together, these trends are putting significant pressure on the environment.

That's why we support a circular economy, a system based on eliminating waste and pollution, circulating products and materials, and regenerating nature. We collaborate with customers and business partners to collectively support both reducing the amount of waste generated and actively promoting the recycling of industrial waste streams. TAI is a leader in large-scale recycling. We work with many types of manufacturers and dismantlers to collect, sort, and refine their waste using cost-efficient operations. This includes plastic, paper, scrap metal, aluminum, catalysts, discarded batteries, and hazardous and non-hazardous waste. For example, we collect scrap metals from automotive manufacturing plants and from end-of-life vehicles and reprocess the metal into new products. Our efforts not only support waste reduction and resource conservation, but also produce solid economic returns for our clients.



INNOVATING WITH SUSTAINABLE WOOD VENEERS

TAI, in collaboration with supplier Yamaha Fine Technologies, is advancing sustainable interior material options for the automotive industry. Leveraging Yamaha's legacy in precision woodworking from musical instruments, the team is developing veneer alternatives using renewable materials such as bamboo, cork, and hemp.

TAI is also supporting improvements in manufacturing processes, including a new one-layer veneer construction, dry coating, and laminated topcoats. The one-layer replaces a traditional 3-ply veneer construction and is more cost effective, uses less energy and resources, and preserves the same high-quality wood finish. Dry coating and laminated top coating decrease material use, lower VOC emissions, and enhance durability and appearance. Products meet FSC and PEFC certification standards, reinforcing a commitment to responsible sourcing and forest stewardship. Together, TAI and Yamaha are shaping the future of sustainable interiors.

MAKING SUSTAINABILITY RELEVANT TO EMPLOYEES: COFFEE PACKET CHANGE

When our Farmington Hills, Michigan office relocated, the team saw an opportunity to reduce waste by replacing their coffee maker with a more sustainable option. With guidance from account partner Office Depot, they selected a more sustainable machine and collaborated with TerraCycle to recycle used coffee packets. This change aligned with the office's ISO 14001 certification and broader efforts to minimize landfill waste. The process is simple: used Freshpacks are collected in a designated compartment, transferred to a TerraCycle collection box, and between 30 and 50 pounds of waste is shipped monthly with a pre-paid label. Over three and a half years, the office has recycled 968 pounds of coffee waste, which TerraCycle transforms into items like drainage pipes, storage bins, plant pots, and filler in extruded products such as lumber or sheeting.

As one team member shared, "It's always worth taking small actions to improve things." A small shift in the breakroom is having a positive impact and making sustainability relevant to our employees.



Commitment to Protecting Biodiversity

Biodiversity is the variety of life in a particular habitat or ecosystem; without it, life cannot be sustained. We recognize the importance of biodiversity and the impact our decisions and actions can have on species and habitats. We are committed to conserving biodiversity, both on our lands and in our communities.

Conserving Biodiversity at our Facilities

We aim to ensure that biodiversity can be maintained and enhanced at our facilities. We conduct biodiversity impact assessments to evaluate the status of endangered species living in the vicinity of our facilities and whether there are any protected areas nearby. We also educate our employees about the importance of biodiversity and how they can play a role in conservation.

One of our subsidiaries, Green Metals Canada, experienced an increase in the volume of materials they were processing and needed to add a second rail spur. They designed a wetlands buffer between the facility in Woodstock, Ontario, and the Brick Ponds wetland, which is classified by the Ontario Ministry of Natural Resources as provincially significant based on its biological, hydrological and special features. Green Metals buffered the wetland with 840 native trees and shrubs and 20 native coniferous trees, which were planted with the help of team members, local students and the Upper Thames River Conservation Authority.

Cooperating with Our Communities

We create collaborative relationships with governments, nongovernmental organizations (NGOs), suppliers, customers, and a wide range of other groups that work to protect biodiversity.



GROWING SUSTAINABILITY AT WOODSTOCK

At our Woodstock, Ontario location, TAI continues to demonstrate a strong commitment to environmental and community impact. In 2024 and 2025, the team planted over 70 trees and shrubs tailored for wetland and front-of-property environments to enhance biodiversity and reduce the site's carbon footprint. The on-site vegetable garden, launched in 2024, grows high-yield produce donated to a local women's shelter—an initiative sustained entirely by employee contributions. Beyond the garden, Woodstock has installed solar panels, transitioned pool vehicles to hybrids, and maintains a 36-member volunteer team for regular grounds cleanups. These efforts reflect a deep-rooted culture of sustainability, employee involvement, and local impact.

