

## ▶▶ Initiatives toward Solving Climate Change Problems

### ● Recognition of risks and opportunities in Tokai Rika

There are risks that bring about climate change problems throughout business activities from development and design, to procurement, production, logistics, and product sales. Therefore, we have been discussing risks and opportunities related to climate change at various meetings including the corporate environment meeting. We decide long-term and short-term countermeasures and put our work into action at these meetings.

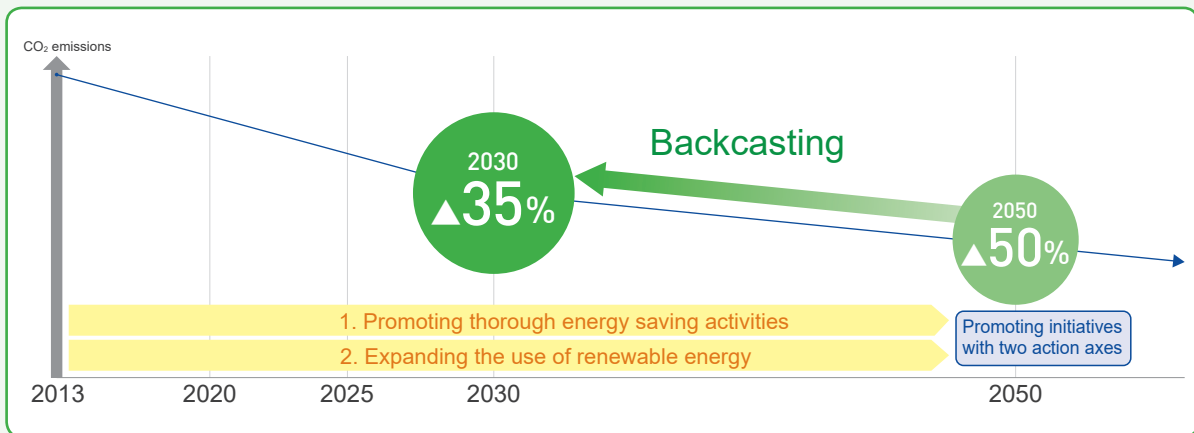
We see an impact on production caused by abnormal weather as an expected risk. We also see cost increases as a result of carbon tax and energy efficiency regulations as a loss of sale opportunities, and the possibility of stagnation in business activities. On the other hand, we recognize that promptly responding to these risks will contribute toward solving climate change problems as well as sustaining business and chances to create sales opportunities.

The entire Tokai Rika Group is working to promote environmental activities, and is planning countermeasures against risks and seeking opportunities. At the same time, we are formulating a long-term vision for CO<sub>2</sub> reduction, and promoting activities according to plan in order to contribute to solutions for climate change problems.

### Action

### Long-term vision for CO<sub>2</sub> reduction

In the Tokai Rika Group, we have set 2050 as the target for long-term reduction to reduce CO<sub>2</sub> by half. Based on our backcasting (a method of thinking about what to do by looking at future goals) target from 2050, we have set a mid-term target of 35% to achieve an ideal situation in 2030. We will accumulate CO<sub>2</sub> reduction items, and steadily advance to achieve the target.



#### 1. Energy saving activities

With regard to the reduction of energy used in business activities, we will promote minimizing usage through energy-saving improvements.

##### Energy saving in the production process

- Promotion of obtaining energy JIT (just in time)
- Promoting the development of low CO<sub>2</sub> production technologies

##### Energy saving constructions and utilities

- Design with consideration for energy saving
- High efficiency
- Energy conversion

##### Energy management

- Promoting the visualization of energy usage

#### 2. Use of renewable energy

In the Tokai Rika Group, we have set a target to achieve a utilization rate of 20% or more for renewable energy by 2040, and will systematically introduce this plan.

We will systematically proceed with the introduction of solar power generation on a global level

