



Environmental Management

Positioning environmental preservation as an important challenge in management, the Tokai Rika Group establishes an Environmental Action Plan that constitutes our mid-term action plan every five years, and we are developing activities based on the environmental policy, aiming at harmony between people and their vehicles.

Enhancing and promoting consolidated environmental management

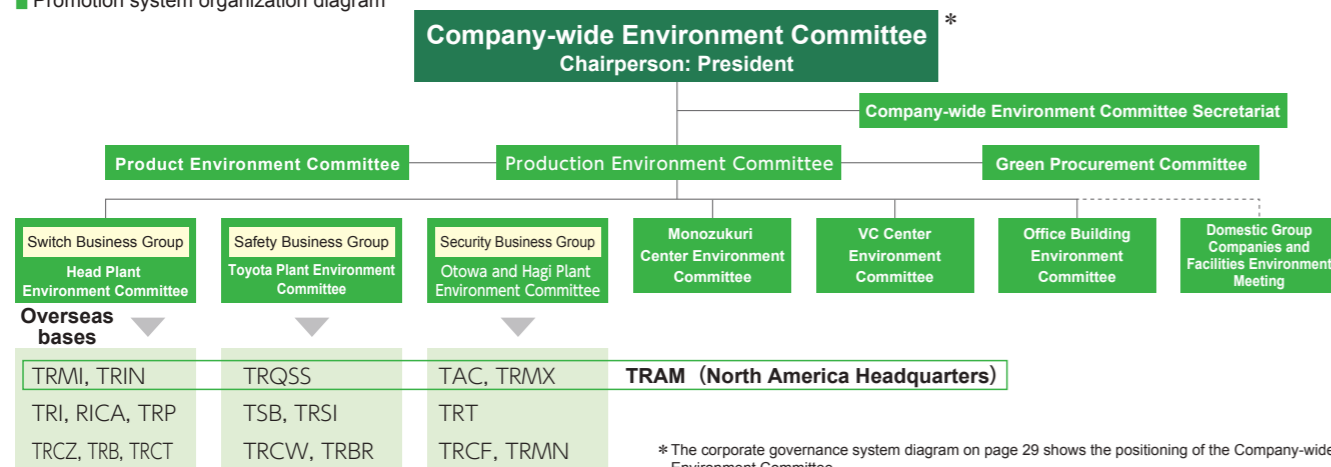
As a response toward global environmental challenges, we capture future environmental risks including climate change and promote consolidated environmental management under organizational structures built in cooperation with our group companies and suppliers.

Promotion system

Policy for activities in relation to environmental preservation, mid-to-long-term targets, and actions toward important challenges are discussed and decided by the Company-wide Environment Committee, which is chaired by the President. As its lower-level organizations we have

the Production Environment Committee, the Product Environment Committee, and the Green Procurement Committee. They are promoting initiatives in each field on the basis of matters decided by the Company-wide Environment Committee.

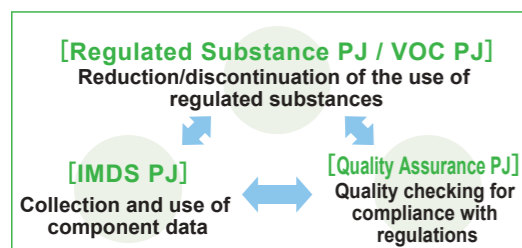
Promotion system organization diagram



Activities of each committee

Product Environment Committee

In order to make the chemical substances used in our products comply with the laws and regulations of each country and the requirements of customers, we are grasping the trends of regulations and reflecting them in product design through four projects.



Production Environment Committee

We are working to reduce CO₂ and waste generated in our production. We have established subcommittees to improve our performance from a more professional point of view, such as energy saving and logistics, and deployed initiatives of each plant horizontally and to our group companies in Japan and overseas.



Production Environment Committee

Establishment and implementation of an environmental management system

Situation regarding acquisition of EMS external certification at production bases



In order to continuously improve environmental performance, we are setting up Environmental Management Systems (EMS) in each base and acquiring external certifications. Tokai Rika and all overseas production bases have acquired ISO14001 certification, and domestic group companies have acquired the Eco Action 21 certification in addition to the ISO14001.

Reduction of environmental risks

We evaluate environmental risks regarding production equipment and work done on our premises, and conduct practical drills periodically for anticipated emergencies. In addition, at the Toyota Plant we have newly installed an emergency storage tank to prevent the outflow of abnormal wastewater to the outside.



Drills for emergencies



Toyota Plant's emergency storage tank

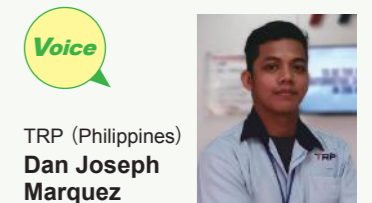
Topics

TRBR received the "Green Award 2019"

TRP (Philippines) is deploying environmental activities such as tree-planting activities, introduction of solar power generation, and participation in light-off activities of EARTH HOUR* sponsored by the World Wide Fund for Nature. In addition to these activities, the Sustainable Management Vision was awarded the Green Award 2019 by the City of Santa Rosa for being recognized as an exemplary company.



Green Award 2019 Certificate



TRP (Philippines)
Dan Joseph Marquez

We are proud to have received this kind of recognition for energy-saving improvement at our production site, introducing solar power generation, and continuing tree-planting activities. As corporate citizens, we will continue to make concerted efforts to contribute to the environment.

*The world's largest environmental event where people all over the world show their intention to prevent global warming and protect the environment by turning off the lights at the same time on the last Saturday of March.

Promotion of environmental activities in cooperation with business partners

We are promoting the strengthening of environmental management that includes supply chains to reduce environmental loads and risks throughout a whole life cycle in cooperation with suppliers.

Cooperation with suppliers

We have established Green Procurement Guidelines to understand the concept of environmental conservation, build a cooperation system with our suppliers, and develop collaborative activities. In FY 2019, we also established Green Procurement Guidelines at overseas bases. In addition, we share information such as revisions to environment-related laws, examples of energy-saving improvements, and environmental near-miss incidents with member companies of Kyouryoku-kai organized by suppliers at the regular meetings to improve the levels of both the Tokai Rika Group and our suppliers.



Green Procurement Guidelines

Environmental Management

Enhancing global employee education / awareness activities

We are expanding a training curriculum and awareness-raising activities. We have established an education system to not only acquire expert skills, but also to create a culture in which each and every one of our employees works on environmental preservation as “their own problem”.

Initiatives during Environment Month

During the Environment Month of June, we hold events such as asking for the submission of environment posters and environment lectures to raise the environmental awareness of our employees. Ms. Sumiko Takeuchi of the International Environmental and Economy Institute was invited to speak at the environmental lecture. She presented under the theme of “Social trends and energy issues in Japan”. Many employees, including management, learned how companies should respond to energy issues.



Environment lecture



Environment poster award (left: adult category, right: children category)

Enhancement of environmental education

We are implementing systematic environmental education programs, using e-learning among other things. These programs include training by job grade for new employees and promoted employees, training by job function in which specialized knowledge, skills, and more are acquired, such as environment laws and energy saving. Systematic training by workplace in accordance with the characteristics of each workplace is being carried out.



Environment laws education



Energy-saving education (e-learning)

Topics

SDGs study session

In order to deepen our understanding of the SDGs, which is expanding globally, a study session was held, recruiting participants centered on young employees from related divisions. Through the card game “2030 SDGs”, each participant thought about what we should do in the workplace and at home.

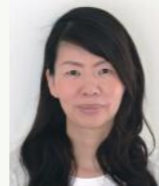


SDGs study session

Voice

Design Division
Tomomi Ishiwatari

Amid the drastic changes in the environment surrounding companies, I felt the importance of deepening our understanding of the SDGs and planned the study session. Some participants commented that they understood the necessity of SDGs through the game in an easy-to-understand manner, and it was a meaningful opportunity.



Improvement of the urban air environment in each country and region

In order to reduce VOC emissions in painting processes and reduce the impact of automobile gas emissions to the air, which is the main cause of urban air pollution, we are proceeding with a changeover to low-emission company cars.

Expansion of the introduction of low-emission vehicles

Name of business office	Total number of company cars (vehicles)	Number of introduced HVs and FCVs (vehicles)	Low-emission vehicle introduction rate (%)
Head Office/Plant	132	83	62.9
Toyota Plant	15	10	66.7
Otowa and Hagi Plants	39	11	28.2
Others	8	6	75.0
Total	194	110	56.7

FY 2019 results

56.7 %

Proactive disclosure of environment information and enhancement of communication activities

In response to increasing interest toward non-financial information, we are promoting proactive disclosure of information as one of our corporate social responsibilities. We are also working to further enhance communication with stakeholders, for example by holding community meetings.

Disclosure of environmental data

Detailed data on our Group's environmental activities is published in a separate Eco Data File. The items listed refer to the GRI “Sustainability Reporting Standard 2016” and include data on raw materials, energy, water, waste water, emissions to the atmosphere, and waste. We will continue to proactively disclose information with the aim of enhancing communication.



2020 Eco Data File

Input resources and emission to environment in business activities

We are trying to reduce the environmental load by understanding the whole picture regarding the energy and resources that are used and the discharge from our business offices, such as CO₂ and waste, and using them as indicators of the environmental load of our business activities.

INPUT		TOKAI RIKA	OUTPUT		
Raw materials	Energy		Products	Waste	Discharge water
Resin materials 9,467t	Purchased power 89,201MWh		Plants Head Office, offices	Direct landfill Waste 0.75t	Sewage 122 thousand m ³
Urethane 290t	City gas 4,631,069m ³			Intermediate treatment Waste 749t	Rivers 403 thousand m ³
Zinc 1,729t	Butane gas 120t			Discharge to the atmosphere	
Aluminum 1,486t	Other			CO ₂ (Originating from energy) 43,417t-CO ₂	
Magnesium 1,913t				Chemical substances [regulated by law] 252t	
Iron 7,873t	Paper 14.82 million sheets			CO ₂ (5 gases) 3,186t-CO ₂	
Copper 2,704t	Packing and packaging materials 1,383t		CO ₂ (logistics) 3,045t-CO ₂		
Nickel 31t			RECYCLE		
Soldering materials 10t			Recycling		
Silver 17t		Recycling (including recycling for a fee) 10,965t			
Water					
City water 237 thousand m ³					
Industrial water 114 thousand m ³					
Underground water 201 thousand m ³					

* For data details, see the “2020 Eco Data File (<http://www.tokai-rika.co.jp/society/report/2020/index.html>)” on our website.