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Business and Human Rights

Basic Approach

For Toyota Tsusho, which develops a wide variety of businesses globally, “Business and Human Rights” is an important theme. We recognize that understanding human rights issues in the countries and regions where we operate, and taking appropriate action, is an extremely significant responsibility.

To fulfill this responsibility, we have identified “Respect for human rights” as one of our material issues, and have formulated the Toyota Tsusho Group Human Rights Policy (hereinafter “Human Rights Policy”) and the Supply Chain Sustainability Behavioral Guidelines (hereinafter “Behavioral Guidelines”). Together with all stakeholders, including all employees, suppliers, and business partners, we are working to reduce risks related to human rights and to sustainably enhance corporate value.

Promotion Framework for Human Rights Initiatives

Under the supervisory responsibility of the Board of Directors meeting, Toyota Tsusho promotes initiatives aimed at identifying human rights issues and pursuing kaizen (continuous improvement) within our company, our group companies, and our suppliers.

For employees of Toyota Tsusho and our group companies, under the CHRO*1, we have incorporated human rights due diligence into our company-wide risk management framework, Check10 activities. The Global Human Resources Department serves as the secretariat, conducting fact-finding surveys, identifying issues, and working on corrective and remedial measures. These activities are reported as appropriate to the Board of Directors meeting through the Integrated Risk Management Committee, chaired by the CFO*2. For human rights concerning suppliers, the sales divisions bear responsibility and promote human rights due diligence based on company-wide rules.

In advancing these initiatives, we refer to the United Nations “Guiding Principles on Business and Human Rights” and review our efforts through repeated engagements with external stakeholders.

*1 CHRO: Chief Human Resources Officer

*2 CFO: Chief Financial Officer

Grievance Mechanism (Consultation Mechanism)

Toyota Tsusho and our group have established a whistle-blowing system for employees, as well as one for all stakeholders, including suppliers.

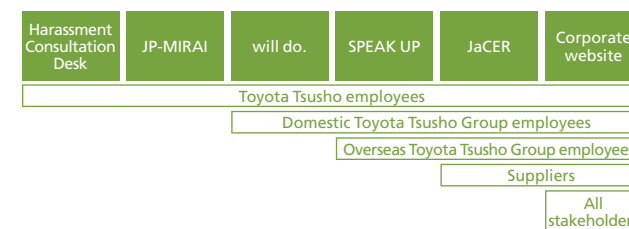
For employees of our company and group companies, we have established a global internal reporting line supporting multiple languages (over 150 languages), SPEAK UP, at an external specialist organization, in addition to internal and external lawyers. Furthermore, we have established the “will do.” hotline for employees of our company and domestic group companies, and the Harassment Consultation Desk for our company’s employees, to appropriately address consultations received.

For all stakeholders including suppliers, Toyota Tsusho is a regular member of the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER), which provides an “Engagement and Remedy Platform” in accordance with the

United Nations Guiding Principles on Business and Human Rights. This platform accepts reports of violations or suspected violations of international codes of conduct or national regulations.

By accepting grievances through third-party channels, we protect whistleblowers and ensure confidentiality of reported content, while also ensuring fairness and transparency in grievance handling. This approach promotes dialogue and remedy more effectively than before and fundamentally addresses human rights issues.

Reporting Systems and Target Stakeholders



Topics

Kaizen Example through Engagement with External Experts

Toyota Tsusho engages with NGOs to identify human rights risks and work on corrective and remedial actions for related issues. In the fiscal year ended March 31, 2025, in response to the growing international attention on migrant workers*3, we conducted on-site inspections of our domestic operating companies together with NGOs. Through interviews with migrant workers at each company, we checked for the presence or absence of issues from various perspectives, such as safety, employment contracts, and daily living support. The inspections identified issues such as a shortage of safety signs written in the mother tongue of migrant workers, and we are considering measures for *kaizen* (continuous improvement). In addition, considering the situation of long working hours for drivers in Japan’s logistics industry, we conducted on-site inspections. In reviewing order methods, one of the factors contributing to long working hours, we worked with our group’s customers to improve the situation by introducing systems and equipment.

*3 Migrant workers: In this context, this term specifically refers to foreign technical intern trainees and foreign dispatched workers in Japan

Comment

The initiatives of the Toyota Tsusho Group not only comply with traditional international norms on respect for human rights but also meet the requirements of cutting-edge overseas sustainability regulations, including human rights due diligence and grievance mechanisms, making them indispensable for promoting global business activities. Furthermore, initiatives implemented across the entire value chain involving suppliers and customers contribute greatly to solving social issues, serving as proof that the Group is a “value-generating corporation that contributes to the creation of prosperous societies.”



Takeshi Yoshida

Attorney at Law
Baker McKenzie



For details on respect for human rights, please see here:

<https://www.toyota-tsusho.com/english/sustainability/social/human-rights.html>



For details on supply chain management, please see here:

<https://www.toyota-tsusho.com/english/sustainability/social/supply-chain.html>

Business and Human Rights

Human Rights Due Diligence

STEP 1

Formulation and dissemination of the Human Rights Policy and Behavioral Guidelines

Recognizing that “Business and Human Rights” is an important management issue, we have formulated the Human Rights Policy and Behavioral Guidelines and report to the Board of Directors.

For all employees, we provide education on our approach to human rights through training such as e-learning. In addition, we notify approximately 6,000 suppliers of the Behavioral Guidelines to communicate our approach to sustainability, thereby promoting initiatives on respect for human rights through collaboration between all employees of the Group and our suppliers.

STEP 2

Identification and assessment of human rights risks

Taking into account the opinions of internal and external experts, we analyze human rights risks from the three perspectives of business, country, and product. For consolidated subsidiaries, considering business-specific issues, themes such as “forced labor” and “child labor” are identified as important human rights issues, and these risks are subject to fact-finding investigations. For approximately 6,000 suppliers, risks are assessed based on two axes of country and product, and 251 suppliers with particularly high risk have been identified.

STEP 3

Fact-Finding Investigations

For our group, we conduct investigations to determine the presence or absence of human rights issues and implement improvements for identified issues through the company-wide risk management framework (Check10 activities).

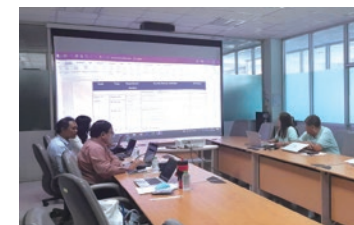
Main investigation items through Check10 activities

Category	Example of question
Respect for human rights	Is the prohibition of harassment stipulated in your rules or guidelines?
Forced labor/Child labor	Is confirmation obtained that employees are above the minimum working age set by the ILO* at the time of employment? * International Labour Organization
Wages	Are you paying wages and overtime pay at or above the minimum levels required by law?
Working Hours	Is compliance with laws and regulations regarding long working hours and granting of holidays being ensured?
Dialogue and Consultation with Employees	Is there an opportunity for negotiations with employee representatives regarding wages, working and workplace environment?
Safe and Healthy Working Environment	Are initiatives being implemented to ensure employee safety and health?

STEP 3

Fact-Finding Investigations

For the 251 suppliers in fields or regions evaluated as having high human rights risks based on risk assessment, we conduct questionnaire surveys and on-site inspections. To ensure both objectivity and expertise, on-site inspections are carried out by third-party organizations with specialized knowledge. The inspection items refer to the code of conduct of the international non-profit organization RBA (Responsible Business Alliance), which works to improve corporate social responsibility in global supply chains, covering a wide range of human rights issues such as prohibition of forced labor and child labor, working hours, and occupational health and safety.



On-site inspection of suppliers

STEP 4

Remedy

As a result of on-site inspections, no serious human rights issues that pose life-threatening risks or require review of transactions have been confirmed. However, for the issues identified, we connect them to remedy through dialogue with rights holders.

Examples of identified issues	Improvement status
<ul style="list-style-type: none"> Safety equipment such as fire extinguishers and emergency exits are not properly installed Safety training for employees is not conducted in appropriate languages 	For all issues, after they were identified, improvement plans were formulated and improvements have been made.
<ul style="list-style-type: none"> The company is violating legal limits on working hours. 	
<ul style="list-style-type: none"> Late night and holiday work premiums are not being paid 	

STEP 5

Information disclosure

Our group appropriately discloses information on human rights due diligence initiatives, identified issues, and the corrective action and remedy measures implemented.

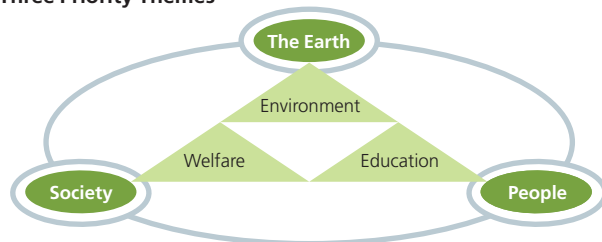
Furthermore, for each initiative, we engage repeatedly with external stakeholders, consciously maintaining fairness and objectivity, while promoting more effective initiatives to respect human rights.

Social Contribution Activities

Activity Policy

Based on our corporate philosophy, which states: “Living and prospering together with people, society, and the planet, we aim to be a value-generating corporation that contributes to the creation of prosperous societies,” we have identified people (education), society (welfare), and the earth (environment) as the key themes of our social contribution activities as we engage in positive activities to help realize more prosperous societies.

Three Priority Themes



Examples of Initiatives

Initiatives for People (Education)

(1) Toyotsu Fighting Eagles Nagoya Basketball Clinic

Our professional basketball team, Toyotsu Fighting Eagles Nagoya, holds basketball classes for local elementary and junior high school students. In addition, we invite children and staff from local welfare facilities to home games of the B.League, contributing to the promotion of sports, the development of young people, and revitalization of the community.



Initiatives for Society (Welfare)

(1) Donation of a Support Vehicle for Children with Disabilities to the Garden of Siloam in Kenya

We donated a support vehicle and other resources for children with disabilities to the Garden of Siloam, a care facility for children with intellectual disabilities in Kenya, supporting the children and their families.



(2) Donation of Traffic Safety Awareness Booklets to Elementary Schools in Nagoya City

To contribute to the community through traffic safety awareness, we distributed traffic safety drills, booklets designed to make learning about traffic safety enjoyable, to 15 elementary schools (approximately 4,900 students) in Nakamura Ward, Nagoya City, as part of initiatives aimed at eliminating traffic accident fatalities and injuries.



Initiatives for The Earth (Environment)

(1) Commencement of the Toyota Tsusho Group Forest Project (Minamitsuru District, Yamanashi Prefecture)

In pursuit of our mission: “Passing on a better Earth to the children of the future,” we have launched afforestation activities by officers and employees of the Group. We carry out preparatory work such as clearing undergrowth to improve the growth environment for seedlings, contributing to environmental conservation.



Comment

Afforestation is an activity for the children of the future that will take decades. I also participated with my children, and while interacting with nature, our knowledge and interest in forest creation deepened, making it a valuable experience.



Yuko Shikakura
E-Mobility Solution
Business Department

For Active Participation

To support employee participation in social contribution activities, we have established the following systems:

(1) Volunteer Leave System

A system allowing employees to take up to three days of special paid leave per year when participating in volunteer activities.

(2) Volunteer Support System

Transportation cost subsidies for participation in volunteer activities approved by Toyota Tsusho.



For details on social contribution activities, please see here:

<https://www.toyota-tsusho.com/english/sustainability/social/social-contribution.html>

Coexistence with Local Communities

Eurus Energy Holdings Corporation's Efforts for Coexistence with Local Communities

The Toyota Tsusho Group has positioned "Renewable Energy & Energy Management" as one of its priority domains and is working to strengthen its existing business model and accelerate its global growth, while also expanding its business domains by diversifying its power supply menu, promoting energy management, and taking other actions. In particular, we have been involved in the wind power generation business for more than 30 years, from development to construction and operation, and this would not have been possible without the understanding and cooperation of local communities.

The vision of group company Eurus Energy Holdings Corporation, which is Japan's No. 1 power generation company in terms of wind and solar power capacity, is to "develop with local communities and maintain the trust of society," with utmost importance on its symbiosis with local communities. While valuing dialogue with local residents, the company promotes the development and construction of power plants. After operations commence, the company undertakes a wide range of community contributions, such as returning a portion of business profits to local communities and participating in and sponsoring local events.

Furthermore, we believe that in order to operate power plants over the long term, it is necessary to build deeper and more multifaceted relationships with local communities. For this reason, the Eurus Energy Group positions regional revitalization activities aimed at solving local issues as an important initiative. To achieve this, the Group takes a multifaceted approach, including identifying needs through dialogue with local communities and developing problem-solving businesses based on those needs. Through addressing local issues with renewable energy at the core, the Group aims to achieve coexistence with local communities and create new industries.



Examples of Initiatives

(1) Hosting of Power Plants Tours and Environmental Education

With the desire to deepen understanding of renewable energy projects, we welcome approximately 100 power plant tours annually and provide environmental education at schools and other institutions. In environmental education programs, our employees serve as instructors to provide classroom lectures on the mechanisms of renewable energy and maintenance methods. Additionally, by observing actual facilities, participants are given the opportunity to feel a closer connection to renewable energy.



(2) Hosting of Local Product Fair

In October 2024, we held the Wind and Sun Marche, a fair selling local specialties from municipalities where our power plants are located, at the cafeteria of Toyota Tsusho Corporation's Tokyo Head Office. Specialties from the three municipalities of Wakkanai City in Hokkaido, Higashidoori Village in Aomori Prefecture, and Ureshino City in Saga Prefecture were sold, promoting the appeal of these regions.



(3) Sponsorship and Participation in Local Events

In Wakkanai City, Hokkaido, where wind power operations are located, employees sponsored, volunteered on the day of the event, and participated as runners in the 7th Japan's Northernmost Wakkanai Peace Marathon 2024. The marathon consists of a full marathon starting at the Monument of Japan's Northernmost Point and finishing at the Wakkanai North Port Breakwater Dome, as well as a short marathon that starts and finishes at the Wakkanai North Port Breakwater Dome. Every year, many participants join from within and outside of Hokkaido.



Comment

We carry out various initiatives to be of service to the local communities. One such initiative is on-site classes for local children to enjoy learning about the environment and energy. Starting in fiscal year ending March 31, 2026, we plan to offer classes that encourage thinking about power plants and the local community, aiming to foster human resources that will support sustainable regional development.



Daisuke Kominami

Community Development and Innovation Department
Eurus Energy Holdings Corporation



For details on Eurus Energy Holdings Corporation, please see here:
<https://www.eurus-energy.com/en/>

Health and Safety Policy

The Toyota Tsusho Group's Policies on Safety and Health

1. Toyota Tsusho group top management recognizes that good communication between top management and employees is crucial for safety and health management, and the top management will respect such intercommunication with employees.
2. Toyota Tsusho group observes the laws of safety and health, guidelines of work operation inside the premises of customers, and Toyota Tsusho group will establish necessary internal rules and regulations to improve the level of safety and health management.
3. Toyota Tsusho group utilizes the occupational safety and health management system, and Toyota Tsusho group will make efforts to improve and maintain such system to aim at continuously higher level of safety and health.
4. To promote group companies' total safety and health activities, Toyota Tsusho group organizes proper organization system and will make clear for locus of responsibilities.
5. To promote comfortable and healthy work environment, Toyota Tsusho group will execute necessary and sufficient education and training for all employees to secure safety and health.

Safety Initiatives

Based on the Toyota Tsusho Group's Policies on Safety and Health, in addition to global safety and health promotion activities, we conduct safety and health education not just for Toyota Tsusho Group employees but also for suppliers.

Members of the management team personally conduct factory inspections and construction safety inspections by visiting business locations. In addition, at the annual Global Safety Meeting, safety personnel from each country discuss issues and strive to promote a workplace culture of "Anzen First." In the fiscal year ended March 31, 2025, approximately 100 safety personnel from 22 countries participated in the Meeting held in Thailand.

Through safety activities that implement a PDCA cycle to identify issues and implement countermeasures, as well as fostering a safety-oriented culture through employee education, we make daily efforts to enhance the safety management level of the Toyota Tsusho Group.



Site inspection at the Global Safety Meeting held in Thailand

Occupational Safety and Health Education

Based on the belief that the starting point of safety management is human capital management, we conduct various occupational safety and health education.

At Toyota Tsusho, we explain the Safety and Health Policy and provide basic safety and health management training to employees. Safety education (e-learning) is provided to all employees, and activity policies, examples of accidents and best practices, safety education videos, and other information are disseminated globally via the intranet, ANZEN-NET.

(1) Practical Safety Workshop

At the Practical Safety Workshop established in 2009, participants can learn through 60 types of experiential training modules, focusing on the types of accidents (STOP6 accidents*) with a high potential to cause serious incidents, such as getting caught between or entangled in heavy objects. The total number of users, including group employees and business partners, has exceeded 10,000, with 755 users in the fiscal year ended March 31, 2025, including 131 participants from 10 suppliers.

* STOP6 accidents: Accidents caused by
(1) Actuator, (2) Block heavy objects, (3) Car,
(4) Drop, (5) Electric shock, and (6) Fire.



(2) Office Safety Workshops

Considering that many operations are performed in offices as a trading company, we launched the Office Safety Workshops in 2016 to raise safety awareness among office employees. In the fiscal year ended March 31, 2025, approximately 100 employees, including Group company employees, participated in the program, bringing the total number of participants to over 1,000.



Comment

At the Global Safety Meeting, I was able to spend a very fulfilling time gaining many insights by discussing safety activities with safety personnel from other countries and sharing best practices.



Pithaksathit Natthakhemisor

Toyota Tsusho (Thailand) Co., Ltd.



Global Safety Meeting held in Thailand



For details on occupational safety and health, please see here:
<https://www.toyota-tsusho.com/english/sustainability/social/safety-health.html>