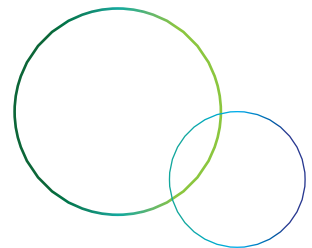




Sustainability Report 2023



Trinity Industrial Corp.



Message from Top Management

Aiming for earth-friendly future through technology

Global warming, waste generated in production, and negative impact of business activities to the environment are all vital issues for us. Under our corporate slogan “Earth-friendly future through technology”, we will contribute to carbon neutrality, circular economy, toward sustainable earth/society.

Major car manufactures recently pulled ahead carbon neutrality Target year, and accelerated to shift to green power.

Countermeasure to global warming, circular economy, nature-friendly plant, SDGs/ESG, all these issues are crucial for us.

In order to be necessary for society, we will offer solutions to these issues with our unique technology.

In our Paint and Application Systems Department, our mission is to change painting processes by reducing energy and water resources through environmental friendly, resource-/energy-efficient equipment and instruments. Major achievements in recent years include the following:

- Landmark reductions of wasted paints through the development of ultra-high-transfer airless painting technology with transfer efficiency of 95% or higher
- Highly compact dry booth that uses cardboard filters
- Recycle air, without humidity control, using less energy.

These achievements, which contributed to the CO₂ reduction by 60%, are highly evaluated by industrial academia. And it's our honour to receive Okouchi Memorial Production Prize last year, with Toyota Motor Corporation.

In our Automotive Parts business, lots of activities are on-going towards CO₂ reduction by 25% in 2025.

- Monozukuri-kaizen

- Innovative energy-saving technology
- On-site solar power generation and other green power

Other initiatives include the following:

- Reuse of discarded resin parts through the re-pelletization
- Nature-friendly plant including wastewater management and surveys of chemical substances

Through such initiatives, we contribute to achieving a sustainable planet and local society.

As stated in the Sustainability Policy that we announced last year, we engage in corporate governance and prosperous society, along with environmental contribution, to expand the happiness of all people related to our company.

From this viewpoint, Governance and Society activities are also included in this report this year.

The name is also changed from “Environmental Report” to “Sustainability Report”.

We hope this will help stakeholders to understand our activities more.

For more Kaizen, your advice is highly appreciated.



Toshiaki Tamaki

President

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Introduction to the Company

Corporate Information

Established	July 1, 1980
Location of head office	1-9 Kakimoto-cho, Toyota, Aichi
Capitalization	1,311 million yen
Sales	Consolidated: ¥29,000 million yen Non-consolidated: ¥24,900 million yen (fiscal year ended March 31, 2023)
Employees	Consolidated: 962 Non-consolidated: 773 (as of March 31, 2023)
Business operations	Design, production, and construction of paint plants, painting systems, and industrial machines Manufacture of automotive parts

Offices

Head office



Toyota Plant

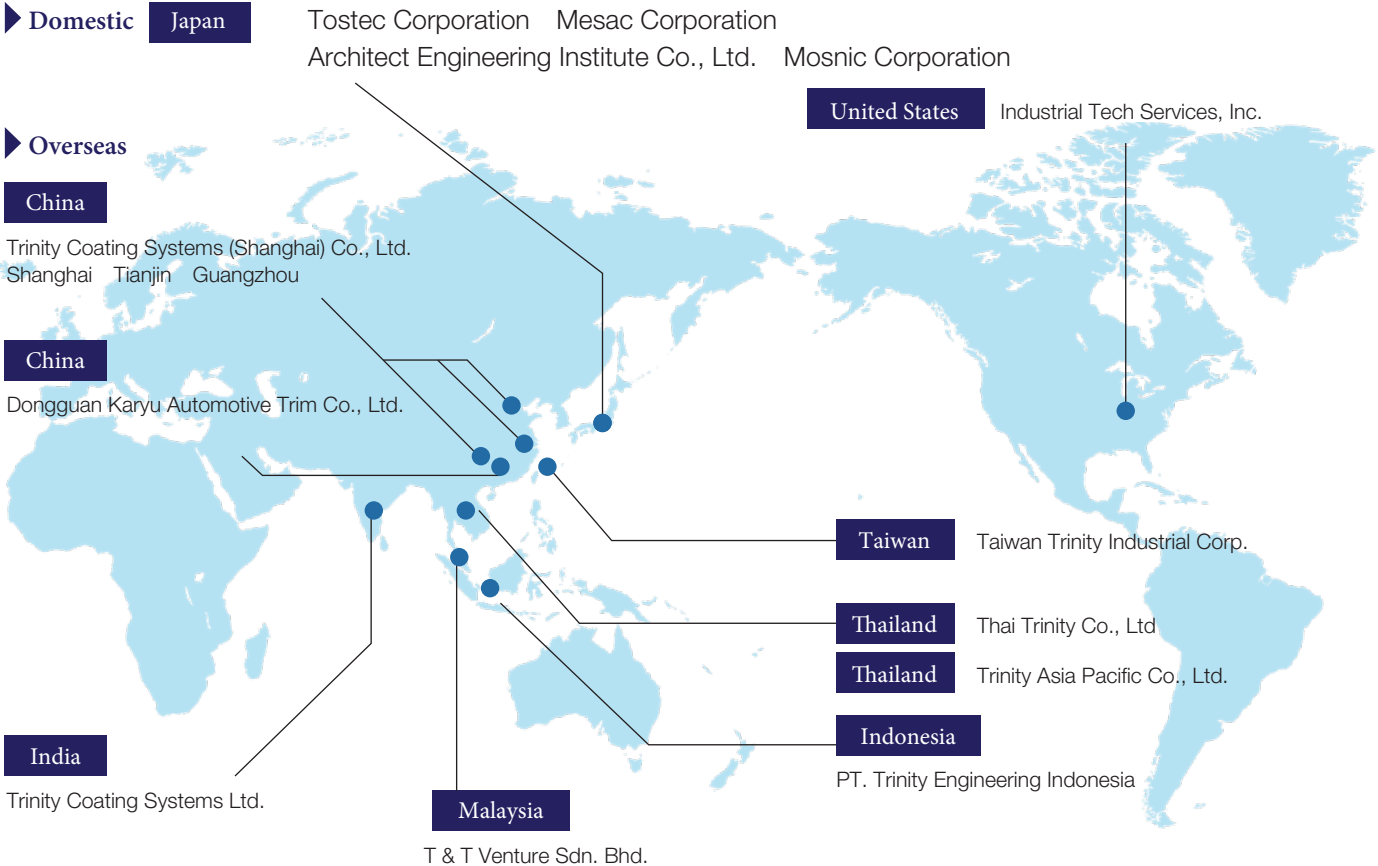


Miyoshi Plant



Tokyo Branch Office Osaka Branch Office Tohoku Sales Office Tahara Sales Office Kyushu Sales Office

Major affiliates



Introduction to the Company

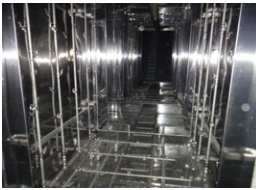
Business Overview Trinity Industrial is active in two business fields: the equipment business and the parts business

Paint and Application Systems Division

We offers integrated services from planning to design, manufacture and installation, and after-sales services of painting equipment for a variety of fields, including automobiles, steel parts, aluminum parts, resin parts, construction machinery, and household appliances.

Painting plant

From entrance to exit, we offer painting processes with cutting-edge environmental technologies.



Pre-treatment system



Electrodeposition coat system



Painting booth/
Air make up system



Drying oven

Painting systems

Paint supply system

Our machines enable control of the paint discharge amount to adjust the painting film thickness, changing colors using the paint/cleaning valves, and painting in varied colors.



Painting robot systems

This system stabilizes painting quality and improves productivity.



Paint applicators

We offer a lineup of paint applicators suited to different applications.



ix bell



Non-static bell



Spray gun



Color change
valve



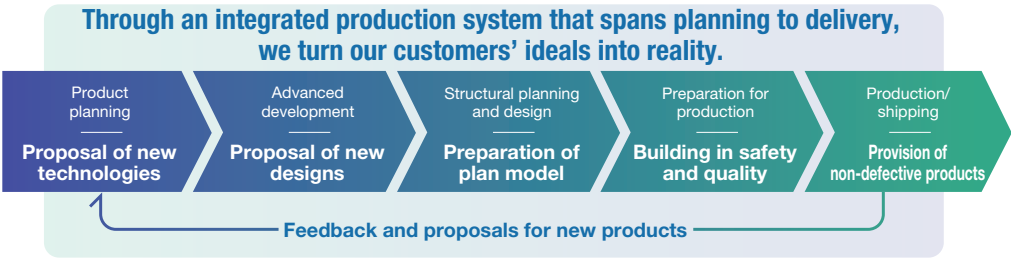
Module CCV



Flushable gear
pump

Automotive Parts Division

We address the molding and painting of interior and exterior parts with the environmentally friendly Tri-D³eco as our central axis. We offer integrated service from molding and decorating to assembly.



Main products

Interior components (painting, hydraulic transfer, laser etching)



Center cluster panel



Steering wheel



Console panel



Switch base panel

Exterior components (painting)



Locker mold



Front grille

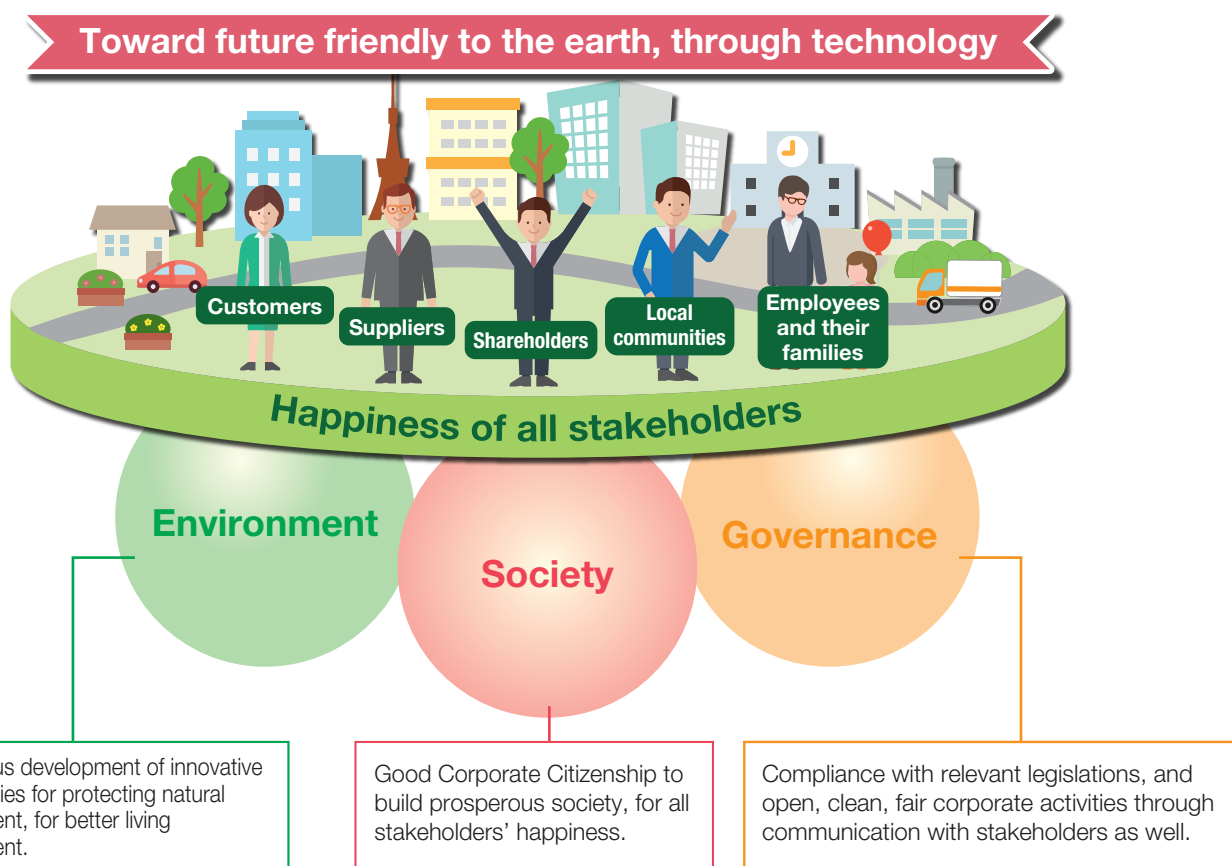
Sustainability Policy

“Trust and Creativity”, this is our corporate motto from establishment. And we have prioritized Safety, Quality, as well as Customer-First mindset, for a long time. Always these in mind, Trinity Industrial Corporation wants to be a company, necessary for society.

We are Engineering Company, specializing Heat, Water, and Air total management. With this technological competitive edge, we contribute to creating the future, kind to the Earth.

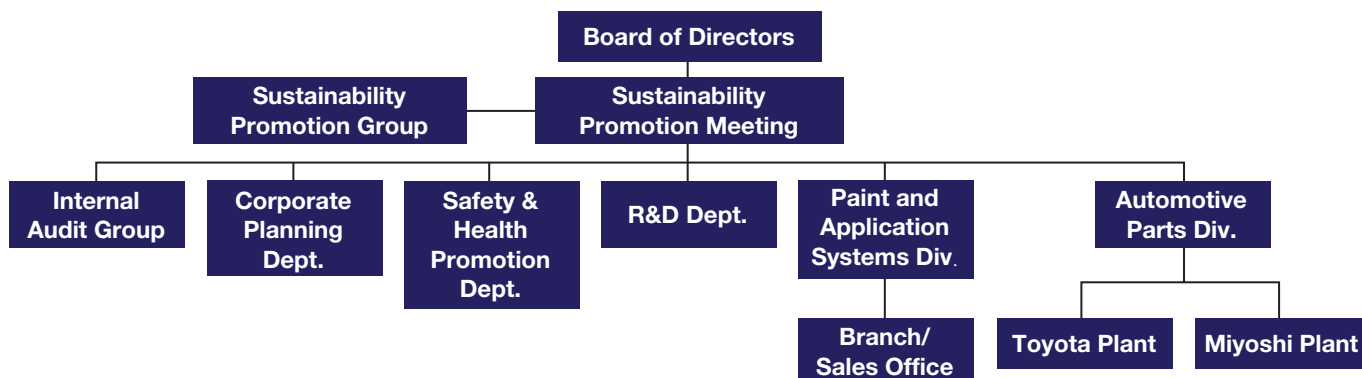
Also, we motivate our associates to fully sympathize with SDGs’ principles, to take actions voluntarily to those goals. Including these examples, Trinity Industrial Corporation will continuously make the best efforts to maximize Happiness, to realize Sustainable Development, for all stakeholders.

1 June, 2022 Toshiaki Tamaki, President



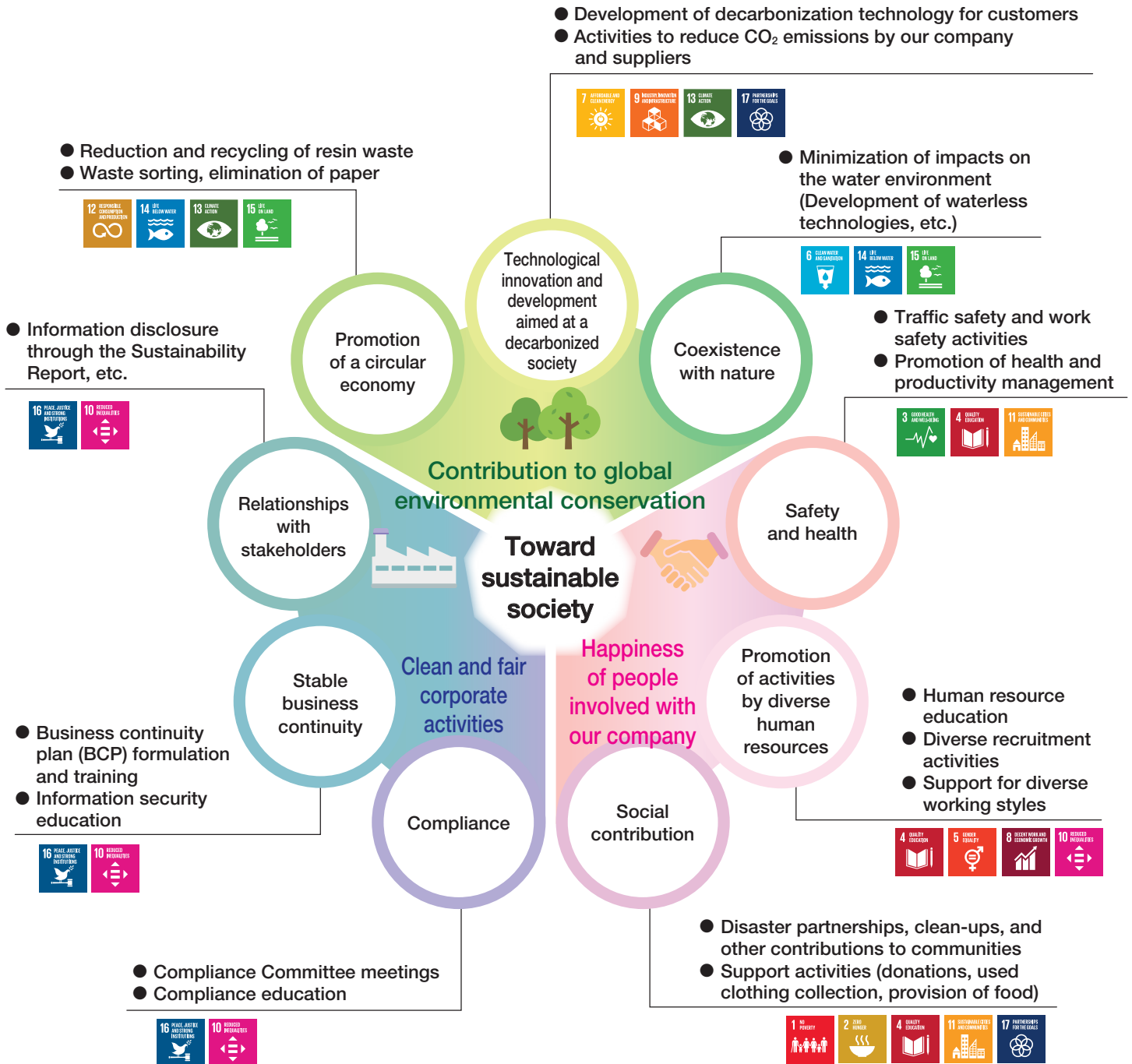
Framework for Promoting Sustainability

We are promoting sustainability activities on a company-wide basis under the following framework.



Challenges to address

Trinity Industrial Corporation organizes initiatives for achieving a sustainable society under three priority fields: ① Contribution to global environmental conservation, ② Happiness of people involved with our company, and ③ Clean and fair corporate activities.



Environment

Environmental Policy

- 1 We exert effort to preserve the environment through complying with the environmental laws and regulations stipulated by national and regional governments as well as by establishing and achieving our own environmental standards.
- 2 We work continuously on modifying our production processes to reduce waste and energy consumption by further improving our technology through efforts to develop environmentally conscious product technology.
- 3 We forecast and evaluate the effect of our production activities on the environment, with each staff member being aware of and responsible for voluntary control aimed at environmental preservation in our production processes.
- 4 We aim for a better global environment, actively working to contribute to society and the earth, not only as a company but also as good citizens, through the collective efforts of the entire company.

Workplace-specific environment policies

Environmental Policy

Environmental Policy of Headquarters and Equipment Business Division

The Headquarters and Equipment Business Division makes preservation and maintenance of the global environment a first priority through the designing of our painting systems and development of technology.

1. We observe all local laws, ordinances, and agreements.
2. We assess the environmental impact of our equipment and systems when designing.
3. We strive to reduce wastes in resources and reduce energy in all steps from design, procurement processing, commissioning, to delivery to customer.
4. We conduct internal environment audits, and hold periodic reviews to ensure our management functions are working effectively.
5. Environment preservation training is held continuously for our Business Departments.
6. 4S is implemented in the office to promote energy conservation and resource recycling.

Automotive Parts Division Environmental Policy

Toyota Plant Environment Policy

In manufacturing automobile parts and operating coating facilities in this location, we actively work to continuously improve the environment through preventing environmental pollution with the awareness and responsibility of each staff member and in collaboration with our supplier.

1. Compliance with laws, regulations, and agreements of the national, Aichi Prefectural, and Toyota municipal governments.
2. Exert efforts to preserve a favorable environment in the area surrounding Toyota Plant.
 - (1) Appropriate treatment of waste water to maintain the water quality of the Yahagi River water system, and maintenance of voluntary control standards
 - (2) Prevention of noise to contribute to the pleasant life of local residents
 - (3) Prevention of air pollution through the maintenance and management of facilities that emit exhaust gas
 - (4) Promotion of greenery activities throughout the Toyota Plant site
3. Work on energy and resource conservation in response to resource depletion and global warming.
 - (1) Reduction of energy consumption by improving production facilities and conducting electricity saving activities
 - (2) Reduction of emissions from production processes and of waste through promotion of recycling
 - (3) Lowering of environmental load in collaboration with supplier
 - (4) Incorporation of concerns of environmental responsibility at the product and facility design stage
4. Evaluate the environmental impact of the material used and avoid the use of hazardous substances.

Miyoshi Plant Environment Policy

In manufacturing automobile parts in this location, we actively work to continuously improve the environment through preventing environmental pollution with the awareness and responsibility of each staff member and in collaboration with our supplier.

1. Compliance with laws and regulations of the national, Aichi Prefectural, and Miyoshi municipal governments.
2. Exert efforts to preserve a favorable environment in the area surrounding Miyoshi Plant.
 - (1) Prevention of stench contribute to the pleasant life of local residents
 - (2) Prevention of air pollution through the maintenance and management of facilities that emit exhaust gas
 - (3) Promotion of greenery and cleaning activities throughout the Miyoshi Plant site
3. Work on energy and resource conservation in response to resource depletion and global warming.
 - (1) Reduction of energy consumption by improving production facilities and conducting electricity saving activities
 - (2) Reduction of emissions from production processes and of waste through promotion of recycling
4. Evaluate the environmental impact of the material used and avoid the use of hazardous substances.

Environment



Paint and Application Systems Department

Development and deployment of environmentally considerate equipment

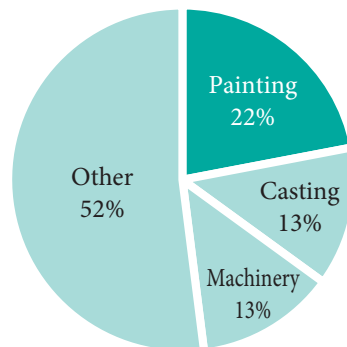
Painting processes and main environmental technologies

Contributing to global environmental conservation through engineering technologies that reduce CO₂ emissions and water usage

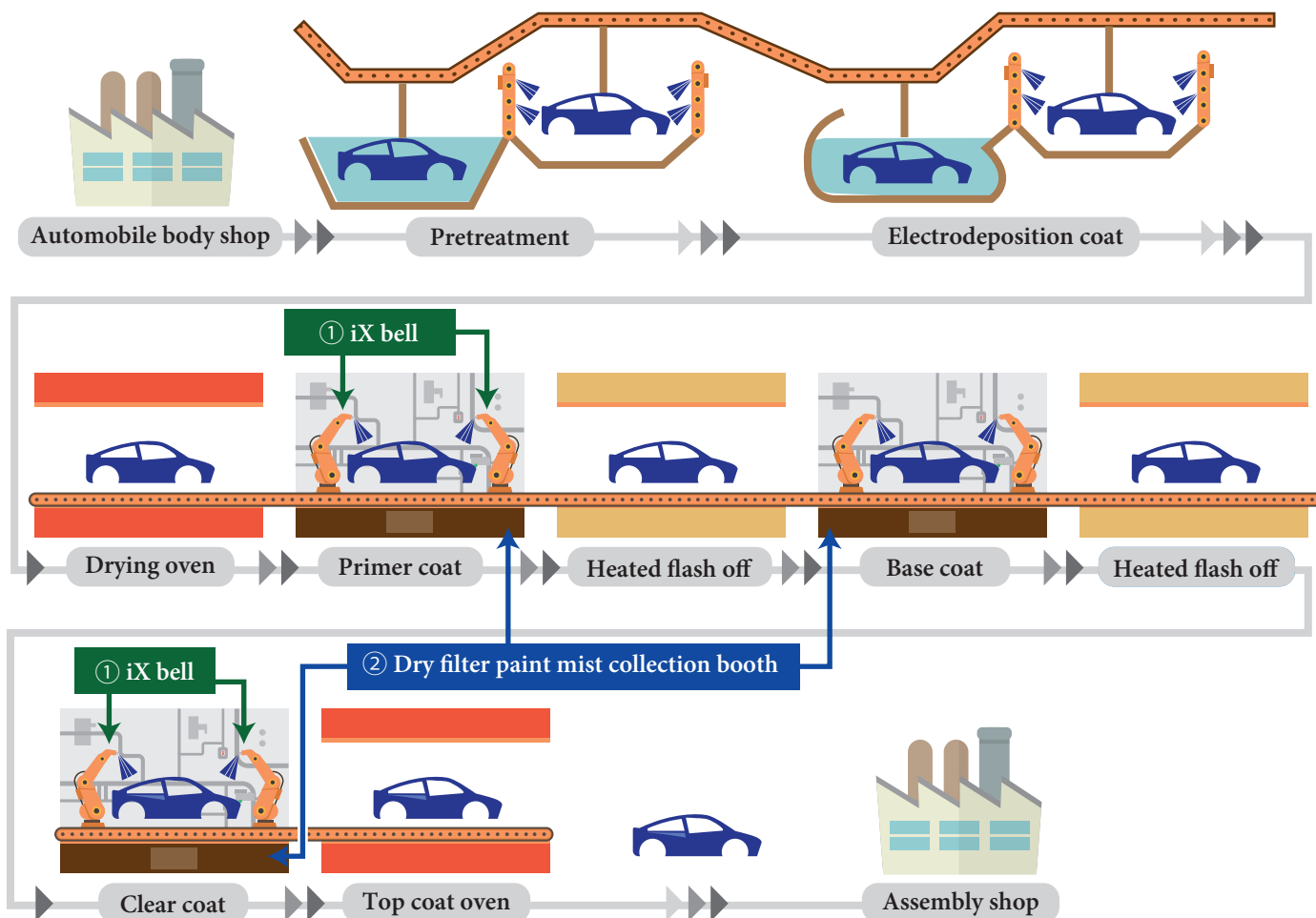
As a company involved in the painting processes that emit a high proportion of CO₂ in automobile manufacturing processes, in every painting process from pretreatment to final coating and drying, we provide unique, environmentally friendly advanced technologies and contribute to reducing the environmental impacts of our customers' plants.

In painting, a number of processes protect the surface of products and provide a beautiful finish. Just as cosmetics includes face wash, basic skin care, makeup base, foundation, and so on, painting processes includes washing, electrodeposition, primer coating, clear coating, drying, and other steps. Each of these processes requires the heating and cooling water, air, and chemicals, and thus a large amount of energy. We develop and provide technologies and equipment that reduce the amount of energy consumed in these processes and achieve waterless operation.

Percentage of CO₂ emissions, by automobile manufacturing process



Our Company's main environmentally friendly painting equipment



Environment



Paint and Application Systems Department

Development and deployment of environmentally considerate equipment

We contribute to customers' CO₂ reduction through development and provision of environmentally considerate equipment as a general engineering company that effectively uses heat, water, and air. We will work with our customers to tackle the prevention of global warming.

Contributing to customers' CO₂ reduction through the development and provision of environmentally considerate equipment

① Ultra-high-transfer airless painting machine (iX painting machine)

Achieving world-class transfer efficiency through cutting-edge technology utilizing static electricity

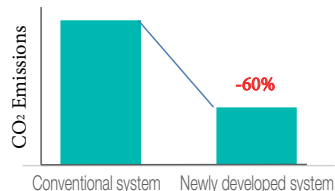
Conventional Air spray painting machine	Newly developed Airless electrostatic painting machine
Transfer efficiency 60 to 70%	Transfer efficiency 95% or higher
<p>* Example of automobile chassis</p> <p>Large air volume</p> <p>Paint mist splashback is considerable; transfer efficiency is low</p> <p>Much excess mist ⇒ Exhaust requires greater booth air volume</p>	<p>Small air volume</p> <p>No splashback of paint mist; transfer efficiency is high</p> <p>Little excess mist ⇒ The booth width can also be made narrow and booth air volume can be lessened</p>

② Dry filter paint mist collection booth (waterless)

Achievement of paint mist collection equipment that uses no water through the high-efficiency filter

Conventional booth	Newly developed Dry booth
<p>Rectification chamber</p> <p>Spraying chamber</p> <p>Wet scrubber</p> <p>Collection of washing paint mist through water contact with paint mist</p> <p>Water used must be cleaned and circulated</p>	<p>Rectification chamber</p> <p>Spraying chamber</p> <p>High-efficiency filter</p> <p>Dry paint mist collection using a high-efficiency filter</p> <p>Water treatment is unnecessary</p>

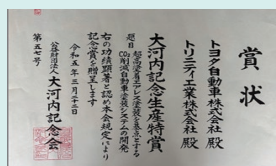
Through a combination of ultra-high-transfer and dry particulate collection technology, CO₂ can be significantly reduced by recycling air conditioned air and by shortening processes through layout refinements.



69th Okochi Memorial Production Special Prize

Together with Toyota Motor Corporation, we were awarded the Okochi Memorial Production Special Prize for the development of a CO₂-reducing automobile painting system based on ultra-high-transfer airless painting. We will continue to tackle global environmental issues through our technical capabilities, in order to contribute to a sustainable earth and society.

* The Okochi Prize is a long-running, prestigious award from the Okochi Memorial Foundation in memory of the achievements of the late Dr. Masatoshi Okochi. It commemorates outstanding achievements that have contributed greatly to academic progress and to industrial development in the fields of production engineering, production technology, and production system research and implementation in Japan.



Environment



Parts department

Activities to reduce environmental impacts in automotive parts production

Environmental management based on ISO14001

Scope: Manufacture of automotive parts and machinery/equipment

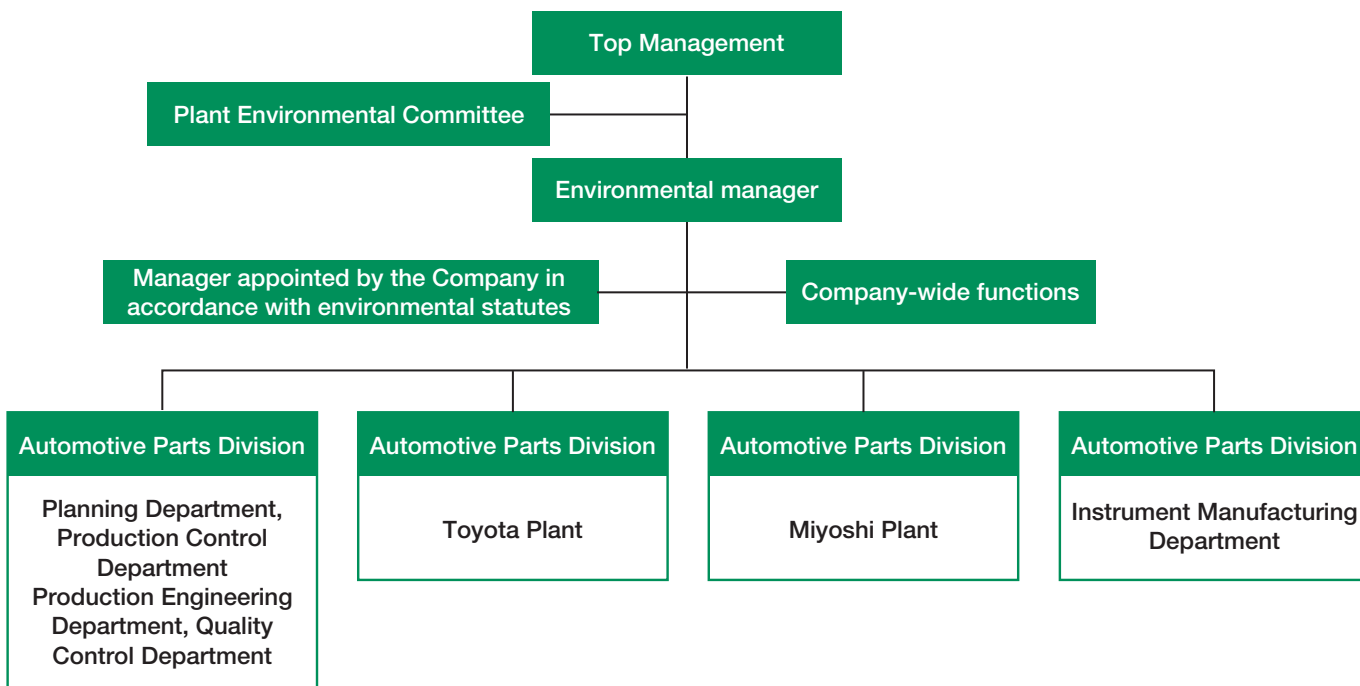
Production activities at our Toyota Plant and Miyoshi Plant are centered on automotive parts. We believe that we bear a responsibility as a company to minimize the environmental impacts from our product manufacturing and service provision. In order to sustainably carry out environmental impact reduction activities, in 2000 the Toyota Plant acquired certification under ISO 14001, the international standard for environmental management, followed by the Miyoshi Plant in 2008. A renewal audit in September 2022 confirmed that our environmental management system is functioning effectively. In line with ISO14001 specifications, we set environmental policies and targets, promote and manage departments' efforts to achieve these targets under the PDCA cycle, and share information on our degree of achievement and advance policies within the plants' Environmental Committees. Through ISO14001 activities, we will further effect improvements and advance environmental conservation.



ISO14001 examination



Organizational structure



Environment



**Parts
department**

Activities to reduce environmental impacts in automotive parts production

Environmental Initiatives Plan of the Automotive Parts Division

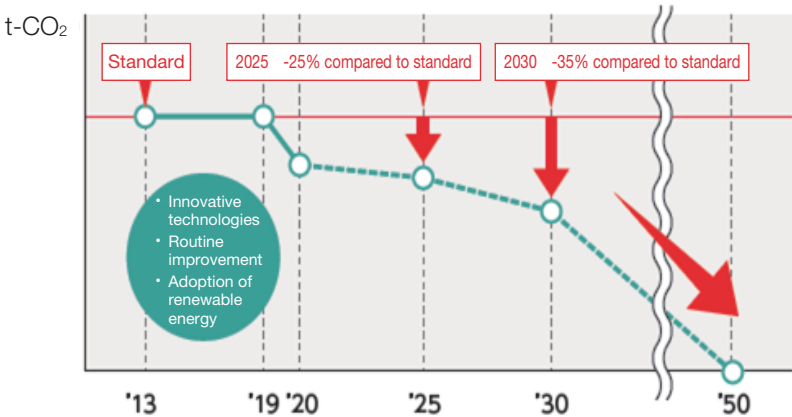
In response to the All-Toyota Seventh Environmental Action Plan undertaken by the automaker’s affiliated companies, we have set and are acting on medium- to long-term goals for the five years from fiscal 2021 to 2025, addressing CO₂ emission volumes, discharge volumes, and amount of PRTR* chemicals handled.

* A system that mandates assessment and notification of the amounts of release and transfer of chemical substances that may be hazardous to human health or ecosystems

<p>Prevention of global warming</p> <p>Initiative Reduction of energy consumption</p> <p>Object CO₂ emissions (total volume)</p> <p>Target 25% reduction from FY2013 in FY2025</p>	<p>Management and reduction of substances that impact the environment</p> <p>Initiative Prevention of hazardous substance usage</p> <p>Object Amount of PRTR chemical substances handled (per unit)</p> <p>Target 5% reduction from FY2020 in FY2025</p>
<p>Environmental Initiatives Plan of the Automotive Parts Division</p>	
<p>Waste reduction and resource conservation</p> <p>Initiative Recycling and waste reduction</p> <p>Object Discharge volume (per unit)</p> <p>Target 5% reduction from FY2020 in FY2025</p>	<p>Water resource conservation and preservation of water quality</p> <p>Initiative Resource conservation, improvement of water environments</p> <p>Object Water usage (per unit)</p> <p>Target 5% reduction from FY2020 in FY2025</p>

Roadmap for carbon neutrality at plants

In accordance with Toyota’s Seventh Environmental Action Plan, we are taking action under targets for reducing our total CO₂ emissions. In 2019, we launched the Plant CO₂ Zero Challenge Project to reduce emissions by 25% by 2025 and 35% by 2030. We are undertaking a wide range of initiatives that include routine improvements, deployment of new technologies, and adoption of renewable energy. Looking further ahead, we will continue CO₂ reduction activities with the aim of achieving effective zero CO₂ emissions in the long term.



Environment



Parts department

Activities to reduce environmental impacts in automotive parts production

Results of environmental initiatives

Prevention of global warming	<p>CO₂ emissions (t-CO₂)</p> <p>Baseline 2013: ~14,000 t-CO₂</p> <p>2022: 9,517 t-CO₂ (-29.5% from baseline)</p> <p>Target 2025: -25% from baseline</p>	<p>Emissions in 2022 were 9,517t-CO₂, a 29% reduction from 2013 and below the level of our 2025 target. While this was largely due to a decrease in production caused by tightness in semiconductors, logistics, and other areas of the supply chain, we are also steadily pursuing initiatives including adoption of solar power generation and adjustment of operations to match demand.</p>	
Waste reduction and resource conservation	<p>Toyota Plant</p> <p>Discharge volume (tons)</p> <p>Per-unit performance (tons/thousand frames)</p>	<p>Miyoshi Plant</p> <p>Discharge volume (tons)</p> <p>Per-unit performance (tons/thousand frames)</p>	<p>In fiscal 2022, production fluctuations caused by factors including shortages of semiconductors had a significant impact on production efficiency, with emissions increasing from the previous fiscal year. Due to those fluctuations in particular, per-unit emissions worsened by approximately 5% at the Toyota Plant, which continues to respond with improvements including reduction of its defect rate. At the Miyoshi Plant, per-unit emissions increased by approximately 12%. The plant is working to reduce defects, including particles in the painting process that necessitate repainting, and is achieving its targets.</p>
Management and reduction of substances that impact the environment	<p>Toyota Plant</p> <p>Volume handled (tons)</p> <p>Per-unit performance (kg/thousand frames)</p>	<p>Miyoshi Plant</p> <p>Volume handled (tons)</p> <p>Per-unit performance (kg/thousand frames)</p>	<p>At the Toyota Plant, production fluctuations caused by shortages of semiconductors and other factors had a significant impact on production efficiency. The Toyota plant is working to reduce target chemical substances through means including increasing the efficiency of cleaning during paint color changes, reducing defects, and making improvements to paint application methods, with the result that per-unit emissions are nearly flat. At the Miyoshi Plant, volume handled declined significantly due to reduction in the number of cleanings in the clear process, with the result of an 11% decline in per-unit emissions.</p>
Water resource conservation and preservation of water quality	<p>Toyota Plant</p> <p>Water usage (1,000m³)</p> <p>Per-unit performance (m³/1,000 frames)</p>	<p>Miyoshi Plant</p> <p>Water usage (1,000m³)</p> <p>Per-unit performance (m³/1,000 frames)</p>	<p>The Toyota Plant undertook actions including adjustment of operations to match demand and adoption of a “dry booth” for painting with zero water usage on its new line, achieving its target with a per-unit emissions reduction of approximately 10%. Through the use of mist to control dust that leads to defects, the Miyoshi Plant increased its water usage, leading to an increase in per-unit water usage of approximately 20%.</p>

Environment



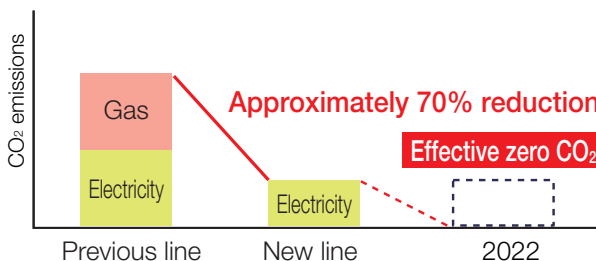
Parts department

Activities to reduce environmental impacts in automotive parts production

Achievement of effectively zero CO₂ emissions through the new all-electric painting line

In 2021, we installed a new all-electric painting line at our Toyota Plant, bringing together the technologies of the Paint and Application Systems Division and the manufacturing technologies of the Automotive Parts Division. While our previous painting line used electricity and gas as energy sources, we reduced energy usage by making the booth more compact, and further utilized a heat pump to make a complete switch to electricity. The new line emits 70% less CO₂ than the previous line. In fiscal 2022, we introduced renewable energy sources for remaining energy consumption, achieving a line that emits effectively zero CO₂.

Conceptual diagram of CO₂ emissions for the line overall



A portion of the issuance fee for the renewable energy certificate goes to design of the certificate by artists with disabilities, supporting independent living for people who face physical challenges.

More compact booth

Reduction in air conditioning energy and CO₂ emissions through a more compact booth

Conventional	Newly developed	Efficacy
<p>Floor-mounted painting robot Booth cross-sectional area: 9m²</p> <p>Conveyor Paint mist collection using water</p>	<p>Wall-mounted painting robot Booth cross-sectional area: 5m²</p> <p>Dry filter-paint-mist-collection (low-impact)</p>	<p>45% smaller booth cross-sectional size and reduced need for booth air conditioning through a change from floor mount to wall mount</p> <p>Approximately 60% reduction</p>

Use of heat pump

Switch in energy source from gas to electricity using heat pump

	Conventional	After improvement	Efficacy
Painting booth	<p>Air make up Painting booth</p>	<p>Air make up Painting booth</p>	<p>Approximately 55% reduction</p>
Drying oven	<p>Oven</p>	<p>Oven</p>	<p>No-steam, all-electric operation</p> <p>Approximate 56% reduction</p>

Environment



Parts department

Activities to reduce environmental impacts in automotive parts production

Adoption of on-site solar power generation equipment

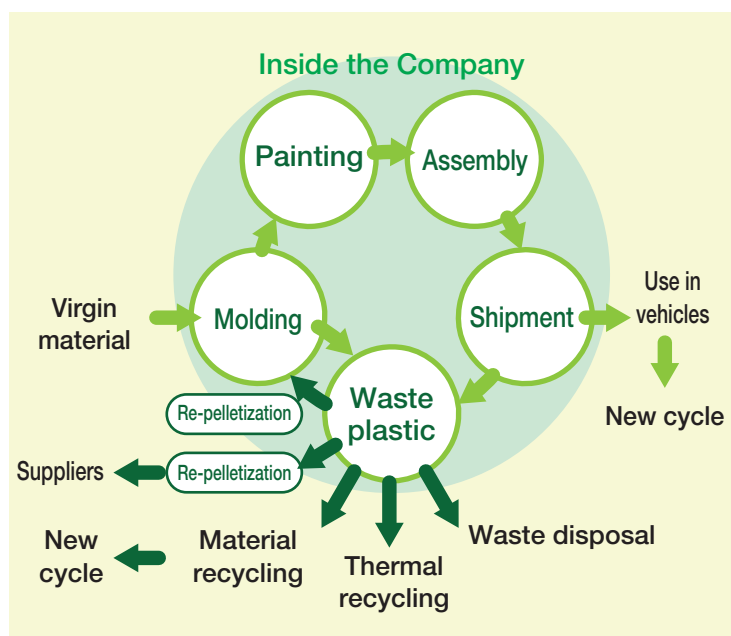
In November 2022, we installed solar power generation equipment at the Miyoshi Plant. Solar power generation of about 153,000 kWh per year, approximately 5% of the plant's total electricity consumption, will contribute to the reduction of CO₂ emissions. As a component of business continuity planning (BCP), this ensures a source of power for smartphones and other means of communication in the event of power outage by a disaster.



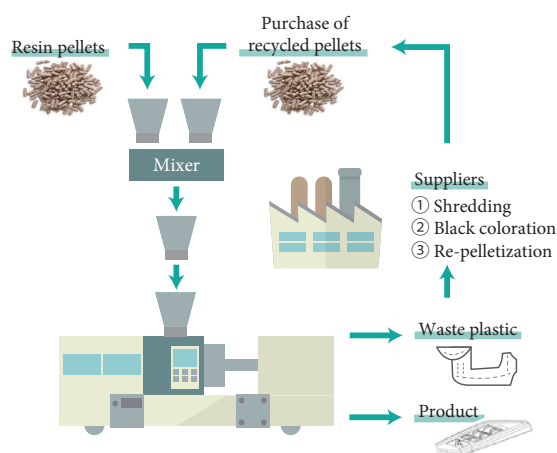
Initiatives for a circular economy

Taking a serious view of the environmental pollution and tremendous damage to ecosystems caused by mass consumption and mass production, we believe in the importance of transitioning to a circular economy. While we manufacture auto parts primarily from resin, we are working toward a circular economy in our production processes.

Current initiatives for resin parts production



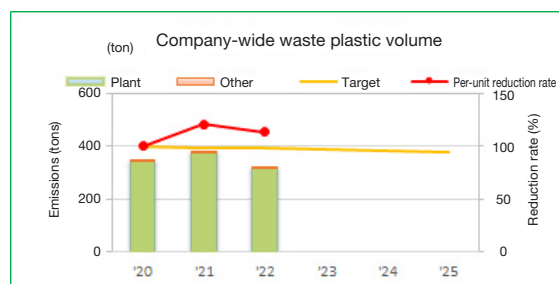
Re-pelletization (Recycling of waste plastic)



We reprocess (i.e., re-pelletize) the runners (i.e., non-product leftover plastic waste) formed during the molding process for resin product and mix the pellets with raw materials for reuse. We will continue engaging in activities to enhance our recycling rate.

Addressing the Plastic Resource Circulation Act

In response to the Plastic Resource Circulation Act that came into effect on April 1, 2022, we have begun taking action under a target of reducing per-unit plastic waste by 1% an annual. In fiscal 2022, total plastic waste decreased by approximately 8% from the base year of fiscal 2020, but per-unit plastic waste increased by approximately 13%. We will work to further advance initiatives such as re-pelletization. We are also producing educational videos on plastic waste and are undertaking awareness-raising activities to aid employees in tackling waste plastic reduction in everyday life.



Environment



■ Initiatives for coexistence with nature

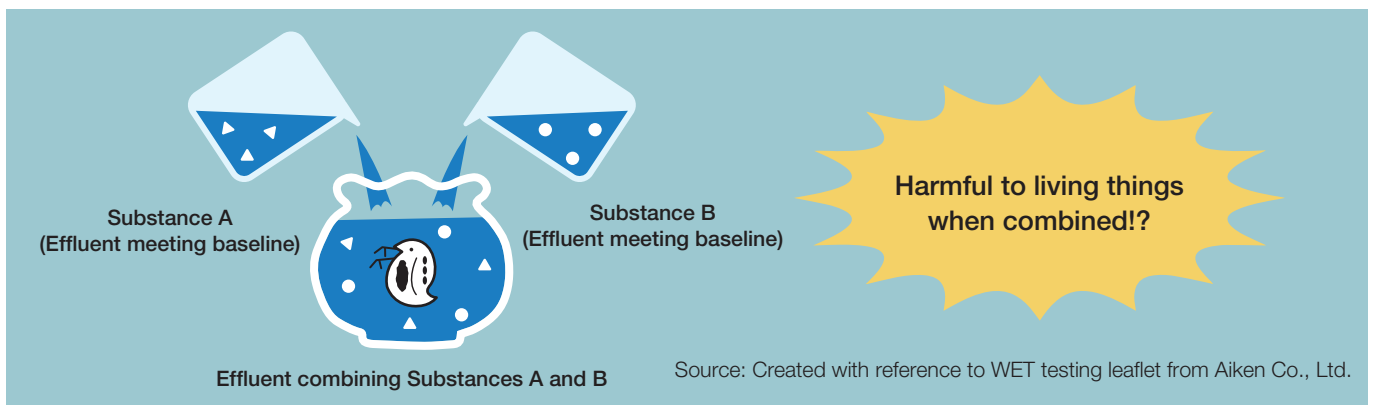
Ocean pollution caused by plastic waste, soil pollution, destruction of forests, and other causes of environmental deterioration have become problems world-wide, with huge impacts on living things. We are promoting coexistence with nature by which the water and wastes we discharge do not affect living things.

Implementation of WET testing

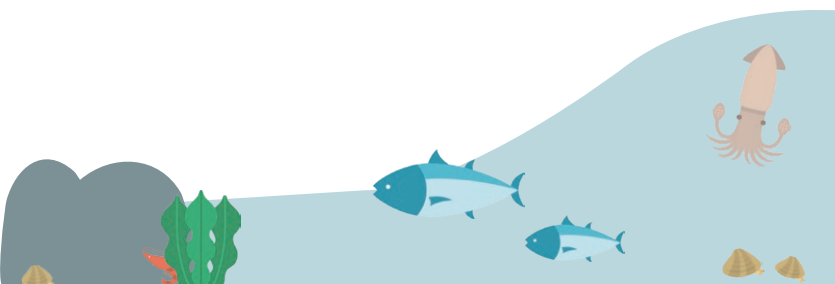
Water used at the Toyota Plant is released into a neighboring river after treatment in a wastewater treatment facility, under voluntary standards stricter than statutory wastewater standards. We conducted WET testing to evaluate this process as well as to investigate impacts on aquatic organisms on the neighboring river in terms of biodiversity.

What is WET testing?

Even if a given chemical falls within standards, a combination of chemicals could have harmful effects. WET testing evaluates mortality and number of offspring through eight-day exposure of organisms (water fleas) to a combination of two wastewater sources that have cleared benchmarks.



Through an external research organization, we sampled water effluent on June 14, 2023 and conducted WET testing. The results confirmed no effect on organisms.



Environment



Compliance and environmental risk

Compliance

On-site checking of industrial waste disposal contractors

Every year, we perform checks of all contractors to which we outsource disposal of industrial waste, to confirm the status of their waste treatment, documentation management, and other matters. After enacting measures to prevent the spread of COVID-19, we conducted on-site inspections again in fiscal 2022, confirming the absence of problems.



On-site checking of treatment contractor



Environmental risk reduction activities

Environmental anomaly training

In order to promptly communicate information and take action in the event of an environmental incident, we conduct environmental risk assessments, establish scenario-based training plans, and regularly conduct emergency response drills.

① Drill based on scenario of sewage leakage from wastewater treatment plant

In October 2022, we conducted a drill based on scenario sewage leaking from wastewater treatment facility pipes and overflowing from the rainwater gutter at the Toyota Plant. We prepared for the emergency scenario by checking work procedures and by conducting drills involving damming the actual gutter with sandbags and shutting off the outlet valve.



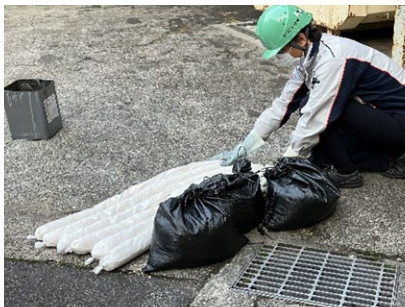
Briefing session on sewage leakage prevention



Training for opening and closing of valve in front of discharge port

② Drill based on scenario of leak during paint transport

In February 2023, we conducted a drill based on scenario involving paint cans falling off a cart during transport and paint flowing into the rainwater gutter. We checked work procedures and conducted drills involving damming actual water in the rainwater gutter with absorbent mats and sandbags, along with drills to recover paint using cloths.



Training to stop inflow of paint into rainwater gutter

Environment



Environmental awareness activities

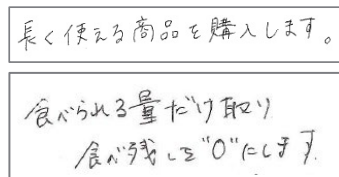
SDGs Month

Amid worldwide efforts to achieve the Sustainable Development Goals (SDGs) adopted by the United Nations, our Company is also taking action. We set every November as “SDGs Reinforcement Month” during which we plan and implement activities encouraging employees to think about the SDGs on their own and take action.

Major initiatives during SDGs Month

① “My SDGs” Declaration

We worked to increase awareness by having all employees declare SDGs that they can practice at work and at home, encouraging personal involvement in thinking about and acting on the SDGs.



② Catchword and poster solicitation contest

To make our SDGs initiatives widely known to our employees, we solicited catchwords and posters from employees and their families and put these to use in learning activities. We selected and commended winning entries from among the submitted works.



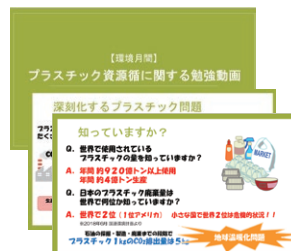
Environment Month

We set June of every year as “Environment Month” and make plans for activities to raise environmental awareness. With the Plastic Resource Circulation Act having come into effect in April 2022, during the fiscal year we streamed videos on ocean pollution and undertook other activities encouraging individuals to become personally involved in thinking about and acting on issues.

Major initiatives during Environment Month

① Streaming of video on the Plastic Resource Circulation Act

With the Plastic Resource Circulation Act having come into effect in April 2022, we produced educational videos for internal streaming. We check employees’ level of understanding after viewing the videos.



② Offering of sustainable seafood

Our employee cafeteria offers MSC-certified and ASC-certified sustainable seafood on its menu to spark employees’ interest in related issues.



Learning

For new employees, we conducted learning on our SDGs initiatives to aid in understanding and acting on the SDGs. We also incorporate content on the SDGs into every level of education to raise awareness across the Company.





Human resources

Nurturing of human resources

Under the belief that the nurturing of human resources from a medium- to long-term perspective is the foundation of the Company, we are working to develop a group of strong, self-reliant, professional human resources. As an in-house education system for achieving this goal, we engage in company-wide education for the acquisition of basic knowledge, level-specific education for the acquisition of knowledge required for specific job levels, departmental education for the enhancement of departmental basic knowledge, and professional education for the enhancement of departmental expert knowledge and enhancement of skills.



Work-life balance

We promote the planned use of paid leave, use of flextime, setting of no-overtime days, and substitute holiday system. We have expanded our parental leave and nursing care leave systems and our system for childcare-related shortened working hours, and have otherwise prepared systems that allow flexible work tailored to employees' circumstances. We encourage employees to make active use of systems for work-life balance, including childcare leave for fathers.

Childcare leave	Employees can take leave up until their children turns three years old.
Reduced work hours system	Employees can shorten working hours following return to work from postnatal childcare leave, through the end of the child's third year of elementary school.
Change of job category system	Employees can change from general positions to managerial track positions.
Comeback system	Employees who have had to retire due to a spouse's work relocation, childcare, or nursing care can return to work.
Flextime system	Employees can move working hours forward or backward, including core time (10:00-15:00).

Creation of workplaces where diverse human resources can play active roles

Promotion of active female participation

To further increase active female participation, we are strengthening the recruitment of female employees through actions including featuring the activities of female employees on the Company website and holding round-table discussions with senior female employees. Through interviews and other means, we also work to eliminate anxieties after return to work from maternity leave and childcare leave. We prepare environments that facilitate balancing work with childcare, provide skill enhancement support tailored to job type and grade, and offer economic support for expenses associated with childrearing.

We will strive to further enhance the appeal of our workplace environments through the introduction of a "comeback system" for employees who have retired due to childbirth, work relocation of a spouse, or other cause, and through the enrichment of our childcare leave and shorter reduced working hours programs that exceed statutory requirements. We will also engage in selection and focused development of talent for future appointments of women to managerial positions.

	Target (by FY2025)	Performance (FY2022)
Female employee ratio	18.0% or higher	15.6%



Employment of foreigners

To nurture the global human resources who will carry the Company through this once-in-a-century period of great change, in recent years we have worked to strengthen the recruitment of foreign students.

Employment of the physically challenged

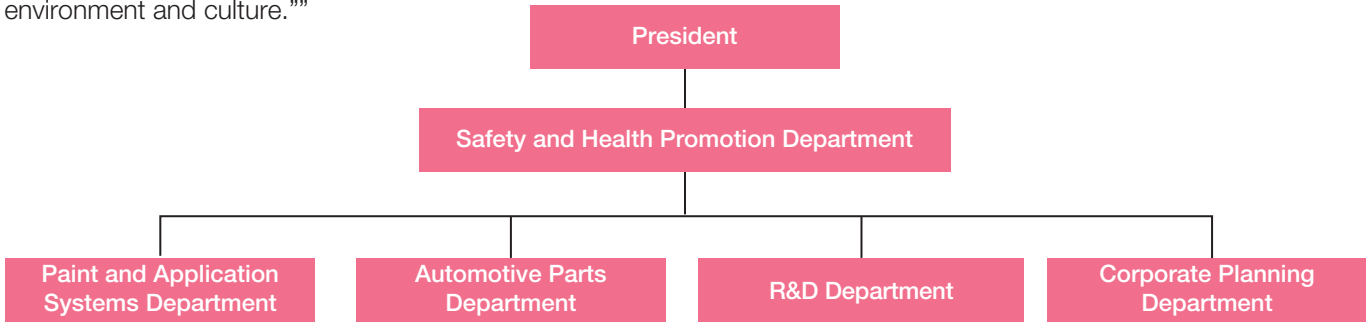
Believing that the creation of workplace environments with an awareness of diversity leads to greater work efficiency and productivity, Trinity Industrial works to actively employ the physically challenged.



Occupational health and safety

Health and safety principles

Safety is at the foundation of management. In the spirit of “there is no work without safety” and with the safety, health, and productivity management of all workers as our top priority, we have established a safety and health department directly under the President and are working systematically and continuously to build ““structure of a Safety First work environment and culture.””



Safety activities

We make efforts every day to ensure the safety of everyone involved with Trinity Industrial.

	Details of initiatives	
General	<ul style="list-style-type: none"> Disaster prevention training and drills Regular on-site patrols with participation by top management Enforcement of on-premise rules (i.e., no hands in pocket when walking) for prevention of accidents while walking Permanent establishment of “Safety Dojo” for safety-related learning and experience 	<p>Enforcement of on-premise no hands in pocket when walking for prevention of accidents while walking</p>
Paint and Application Systems Department	<ul style="list-style-type: none"> Study groups to enhance skills of work leaders Virtual reality (VR)-based experiential learning about dangers Construction pre-check meetings, safety meetings, and review meetings Ongoing safety patrol activities 	<p>VR-based experiential learning</p>
Automotive Parts Department	<ul style="list-style-type: none"> Work safety experience and training Detection and reduction of potential risks and hazards in the workplace using risk assessments Identification of near-miss incidents and quick remediation of trouble spots Securing of time for managers to allocate to safety 	<p>On-site risk assessment</p>

Traffic safety activities

	Details of initiatives	
General	<ul style="list-style-type: none"> Experiential driving education Supervisor-accompanied driving and guidance for driving improvement Driving aptitude tests Risk prediction training Analysis and instruction concerning commercial vehicle driving recorders Enforcement of traffic safety guards 	<p>Experiential driving education</p>



Health

Basic approach

Trinity believes that maintaining and improving the health for our employees who support our company is an important issue for management. We engage in health and productivity management to ensure that all employees can deliver performance and to achieve sustainable growth for the Company and our employees.

Trinity Industrial Corporation Health Declaration

The most important asset of our company is employees.

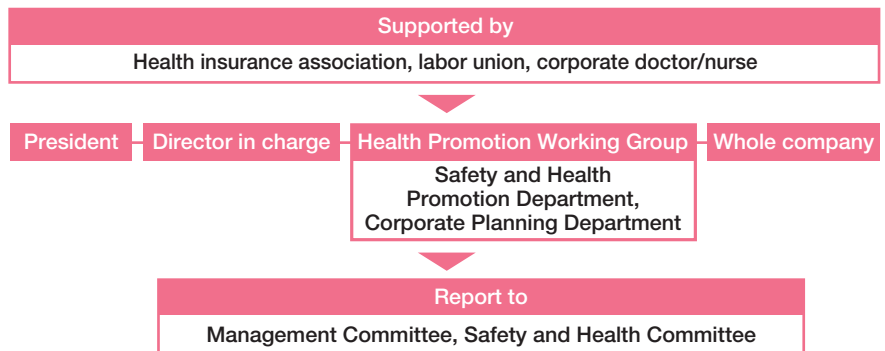
Physical & mental health of our employees and family members, is crucial for “quality products / quality works.” This will create “customer satisfaction and excitement” and we can contribute to society.

Trinity Industrial Corporation hereby declares that we will commit ourselves to realize workplaces with happiness, energy, and vitality.

1 September, 2019
Toshiaki Tamaki, President
 Trinity Industrial Corporation

Execution organizational chart

We have established a health and productivity management promotion structure with the President as the chief responsible manager, and are advancing initiatives in cooperation with the health insurance union, labor union, and experts including industrial physicians and public health nurses.



External evaluation

In recognition of our initiatives for health and productivity management, we have received accreditations and certifications from external bodies, including designation as a Health and Productivity Enterprise.

	Content	Year of certification
	<ul style="list-style-type: none"> • Certification as a corporation excelling in health and productivity management • Implemented by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi (Japan Health Council) 	2020-2023
	<ul style="list-style-type: none"> • Certification as a company undertaking active sports-related initiatives to promote employees' health • Implemented by the Japan Sports Agency 	2022-2023
	<ul style="list-style-type: none"> • Certification of stores and workplaces that provide “Smart Meals®” • Implemented by the Healthy Diet and Food Environment consortium 	2021-2023

See page 21 for information on specific initiatives.



Health

Main initiatives

Supporting the maintenance and promotion of employees' health through the three actions of insights, knowledge, and support

Insights

Health checkups and follow-up procedures

- Regular health checkups for all employees, including those stationed overseas
- Subsidies for family health checkup costs
- Subsidies for re-examination costs; examination recommendations
- Offering health care guidance
- Incorporated gastric and colorectal cancer screening into regular health checkup



Mental health measures

- Stress checks and follow-up for high-stress persons

Knowledge

Initiatives for female-specific diseases

- Breast cancer and cervical cancer examinations are offered to those who wish to receive them
- Seminars for acquisition of knowledge about women's health issues



Seminar

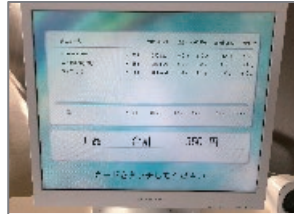
Mental health measures

- Self-care education at the time hiring and in the third year
- Education for line care at the time of promotion to senior managers and manager

Support

Improvement of dietary habits

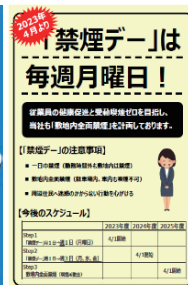
- Serving of "Smart Meals" and half-size items in employee cafeterias
- Calorie displays on menus in employee cafeterias
- Introduction of calorie displays, vegetable juices, dietary supplements, etc. in in-house vending machines



"Smart Meals" and display of calories

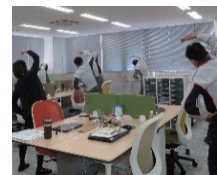
Anti-smoking measures

- Full subsidization for smoking cessation program cost in collaboration with health insurance
- Prohibition of smoking indoors at all business location (implemented)
- Step-wise efforts to prohibit smoking throughout premises (Current status: Smoking prohibited on Mondays → Smoking on the premises prohibited on all days in 2025)



Initiatives to make exercise a habit

- Morning radio calisthenics, Lunchtime stretching sessions
- Walking event using pedometer app (twice a year)
- Participation in health campaigns* held by the health insurance unions (September to November every year)
* "Health Challenge": An initiative to improve exercise habits, diet, and dental care
- In-house sports events (softball, golf)
- Education activities using in-house portal site, etc. (Introduction of menu of exercises that can be performed at the office or at home, etc.)



Morning radio calisthenics



Walking event



Sports event

Other

Measures against infectious diseases

- Formulation of basic policies and action manuals
- Education and vaccinations prior to assignment overseas
- Offering in-house influenza vaccinations
- Subsidizing the cost of vaccinations for the employees and their families (1-15 years old) who are members of the health insurance association

Mental health measures

- Consultation services by public health nurses are available
- Support for persons with health issues and persons returning to work (Regular meetings with industrial physicians and public health nurses)

Society



Social contribution and communication activities

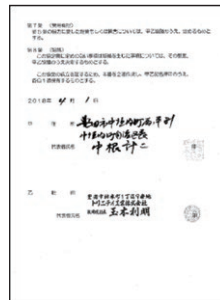
Community contribution activities

Get-togethers and conclusion of disaster-scenario agreements with neighborhood community associations

The Toyota Plant invites executives from neighborhood community associations districts for a yearly social gathering aimed at interaction with the local community in the Katsurano-cho, Nakagaito-cho, and Kamogawa-cho. Although the event was suspended until FY2022 to prevent COVID-19 contagion, in FY2023 the event was held for the first time in 4 years. The attending district heads expressed gratitude for Trinity Industrial's environmental initiatives and local activities such as traffic safety guard duty. We also concluded an agreement by which the Toyota Plant can serve as an evacuation site in the event of a disaster, and readied emergency supplies for use in such situations. To avoid throwing away supplies nearing their expiration dates, we donate a portion of the supplies through the Toyota Municipal Social Welfare Council.



Exchange of ideas with neighborhood association



Agreements for disaster scenarios



Disaster readiness supplies (for employees and local residents)

Community beautification activities

Along with community environmental beautification activities, we conduct grass cutting and cleanups around the Head Office and Toyota Plant every year.



Cleanup activities around workplaces

Traffic safety guard

As an automobile related company and to create a safe and secure community, we station traffic safety guard duties at intersections near the Company to eliminate traffic accidents.



Traffic safety guards near workplaces

Placement of Machikado Emergency Station

We placed AEDs in the head office, the Toyota Plant, and the Miyoshi Plant and welcome fire department representatives who teach basic lifesaving techniques so that the AEDs can be used in the event of an emergency. At the head office and the Toyota Plant have also registered with the Machikado First Aid Station program of the city of Toyota, making AEDs to local residents at any time.



Machikado Emergency Station sign and AED

Society



Social contribution and communication activities

Social welfare activities

Food drive

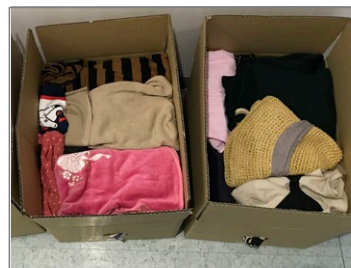
To help eliminate food loss, we took part in a food drive to collect food from employees' homes for donation to welfare organizations and NPOs. We participated in food drives in June and October of fiscal 2022, providing canned foods, instant foods, snacks, and other items to support needy persons and children's cafeterias through the Toyota Municipal Social Welfare Council.



Food gathered in the Company

Used clothing collection volunteers

As part of SDGs Reinforcement Month in November 2022, we undertook used clothing collection volunteer activities for the first time. Acting through the Furu Kuru clothing collection program of the Bridge Asia Japan non-profit organization, we collected used clothing from employees' homes for use in aid activities in Myanmar and Vietnam. We collected 26 boxes (about 180 kg) of used clothes, the proceeds from which went to school construction and environmental conservation.



Collection of used clothes

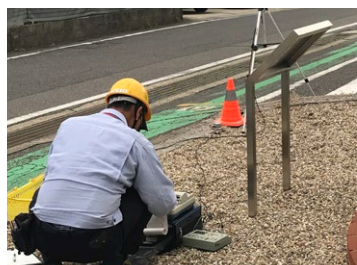
Cooperation with local administrations

Agreement on the Promotion of Environmental Conservation, city of Toyota

We signed a Pollution Control Agreement with the city of Toyota in 1985 and have subsequently worked to prevent pollution.

The agreement was renewed under the name "Agreement on the Promotion of Environmental Conservation" in 2009 and was updated on March 31, 2019.

Specifically, we measure vibration, noise, and odors at the boundaries of our workplace grounds every year to confirm that these are kept within their baselines. We also take part in the Green Curtain Project, setting up "green curtains" by planting morning glories, bitter melon vines, and other plants.



Environmental measurement at boundary



Green curtain

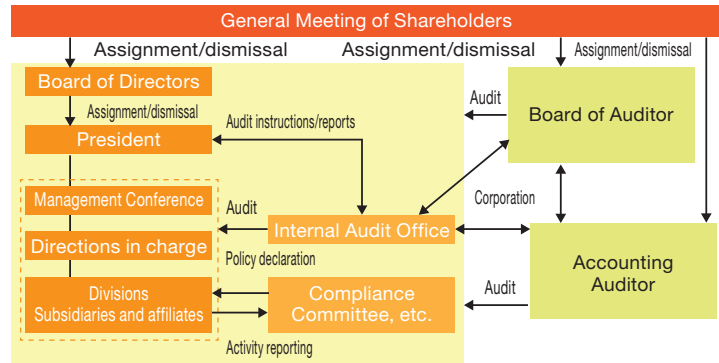


Governance

Corporate governance

With our company policy “Reliability and Creativity” Trinity Industrial Corp. believes that creating a favorable relationship with shareholders, customers, business partners, local communities, employees, and other stakeholders, and providing customer-satisfying products is essential for long-term maintenance and improvement of the company value. With this stance we have strengthened our Corporate Governance to achieve efficient management and to maintain and improve the soundness and transparency in our corporate activities.

We make multi-layered efforts in this area, specifically by having the Internal Audit Office perform Companies Act and Financial Instruments and Exchange Act audits; by having the Compliance Committee, in which independent external senior executives also participate, perform checks of compliance activities based on the idea of self-completion of processes in Divisions; and by having the Audit & Supervisory Board, which is composed of a majority of external auditors, perform audits of the status of the execution of duties by directors.



Compliance

Basic policy

All directors, employees, temporary workers, and other persons at Trinity Industrial Corporation and its subsidiaries will take pride in member of the Trinity Group and comply with related laws and regulations in all corporate activities according to the basic policy described below. Top management acknowledges that compliance to this basic policy is their duty, and pledges to fulfill this responsibility by showing leadership and disseminating the corporation’s basic policy to all parties involved, as well as by exerting effort to improve corporate system and encourage staff members to comply with all applicable laws and regulations.

- 1 Pursuance of compliance to laws and regulations**
- 2 Respect for individuals**
- 3 Social contribution through corporate activities**
- 4 Consideration for the environment**

We also engage in employee-facing initiatives aimed at awareness-building and communication concerning laws, regulations, and internal rules, and in activities to prevent compliance violations and harassment.

In-house awareness building	Compliance education for employees; periodic publication of awareness-building news concerning compliance (Prevention of legal violations, harassment, etc.) Communication of awareness-building messages using in-house newsletters, digital signage, etc.
Employee awareness surveys	Morale surveys (surveys of employee awareness, satisfaction, etc.)
Hotline/internal reporting system	Creation and operation of Helpline



Compliance education

Risk management

Covering our own organizations and subsidiaries as well, we engage in initiatives to construct internal systems and enhance employee’ awareness concerning major disasters, epidemics, leaks of confidential information due to cyberattacks, and other risks.

Information	Construction of an information security structure	BCP ^{*1}	Preparation of action manuals
	Construction of an internal management structure based on confidential management regulations		Evacuation drills ^{*2}
			Inspection of fire prevention measures
			Stockpiling of disaster readiness supplies (including for local residents)
			Stockpiling of contagious disease prevention products
			Safety status confirmation training (for earthquake scenario)
			Implementation of measures to prevent landslide and flooding damage

^{*1} BCP: Business continuity plan. Policies, structures, etc. for continuation of a company’s business and fast recovery following an emergency.

^{*2} Training for cooperation and confirmation from a BCP viewpoint, together with evacuation drills.

Group management activities

We send a director of the company as a concurrent director to each subsidiary company on an ongoing basis and regularly participates in their Board of Directors meetings via a web conference system, etc., to exchange opinions and information. In addition, regular regional meetings are held to review each company’s business and discuss initiatives for the next fiscal year to strengthen internal control within the Group.

Third-party opinion



Noriko Momose

General Incorporated
Association
Chubu SDGs Promotion
Center
Deputy Representative
Director

In 2022, extreme weather-related disasters occurred worldwide, and the war in Ukraine also accelerated climate change. In 2020, CO₂ emissions fell as economic activity stagnated under the COVID-19 pandemic, but emissions rose again in 2021 and hit a record high in 2022.

Against this background, Trinity Industrial's Paint and Application Systems Department and Automotive Parts Division are achieving environmental impact reductions for the company, for customers' plants, and for automobile users, to secure a sustainable future. **Sustainability Report 2023**, covers **three important ESG areas** of "Contribution to global environmental conservation," "Happiness of people involved with our company," and "Clean and fair corporate activities." This is in line with **the company's Sustainability Policy** published in 2021.

'Message from Top Management' states the aim of "an earth-friendly future through technology," a powerful declaration of intent to achieve a sustainable planet and society through technology.

Through interviews and inspections of records on the content of Sustainability Report 2023, I have confirmed that Trinity Industrial's business, environmental, and social contribution activities are aimed at sustainable society.

This year's top news item is surely its **receipt of the Okochi Memorial Production Special Prize** jointly with Toyota Motor Corporation. This award recognizes **the development of ultra-high-transfer airless painting technology with a transfer efficiency of 95% and the reduction of CO₂ emissions by 60% through means including dry particulate collection booths that use no water.** Out of CO₂ emitted in the automobile manufacturing process, 22% is generated in the painting process. I recognize and appreciate that this revolutionary technology from Trinity Industrial contributes greatly to decarbonization for clients who install the equipment.

As for the company's own plants, in 2021 the all-electric painting line utilizing technologies of the Paint and Application Systems Division achieved CO₂ reduction by 70% compared to conventional lines. Through further introduction of green power in 2022, this

line can be regarded as virtually zero CO₂ emissions. I expect that this will greatly contribute to the realization of **Toyota's Seventh Environmental Action Plan.**

The company's circular economy initiatives are also promoting recycling through the reprocessing of mill ends generated in resin automotive parts manufacturing.

This year's Sustainability Report also describes the company's initiatives for coexistence with nature. WET testing demonstrates that wastewater from the Toyota Plant has no impact aquatic organisms in the neighboring river. I hope to see the company undertake more biodiversity conservation and other nature-positive initiatives in the future.

The company's Toyota Plant and Miyoshi Plant, both production bases for automobile parts, successfully completed ISO 14001 renewal screenings in 2022. Under its Environmental Initiatives Plan, the company has set targets to be achieved over five years beginning in 2021, such as prevention of global warming, recycling and reduction of discharges, reduction of substances that impact the environment, less water usage and preservation of water quality. Results in 2022 were positive in terms of reduction of CO₂, waste, and chemical substances, but water usage per unit increased at the Miyoshi Plant due to the use of mist to suppress dust that causes defects. I hope to see further efforts toward the reduction of environmental impacts through the company's environmental management system.

Regarding the goal of "contribution to global environmental conservation," the report discusses not only business but also compliance, risk management, and activities for building awareness in employees, along with the outcomes of these. I was able to confirm that the company's employees are aiming to achieve a sustainable society through **personal involvement in protecting the global environment.**

The report covered initiatives not only in the environmental field but also those aimed at "Happiness of people involved with our company." With regard to employee welfare in particular, I understand that the company is actively working toward structures and workplace climates that value employees in the areas of human resources, health and safety. I was also able to confirm that social contribution and communication activities are expanding year by year, and that **the company is respected by its local communities.**

The report further covers basic policy and risk management in the areas of corporate governance and compliance with respect to the key ESG item of "Clean and fair corporate activities," and I confirmed that internal control is being strengthened for the group's subsidiaries.

I look forward to seeing Trinity Industrial that continues contributing to the SDGs through global environmental conservation, community contribution activities, "Happiness of people involved with Trinity Industrial," and "Clean and fair corporate activities," while playing an active role in sustainable future.



Sustainability Report 2023

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This report is available on the Company's website.

URL: <http://www.trinityind.co.jp>

Scope of reporting

Target period: Friday, April 01, 2022 to Friday, March 31, 2023

Some included content concerns activities occurring before and after the target period as well as the activities of Group companies.

Published December, 2023