

## Reduction of Environmental Impact

The Teijin Group places our highest priority on the environment, as described in our Corporate Philosophy, and we will proactively advance environmental management that is integrated into our business strategies.

### Basic Stance

The Teijin Group is globally expanding its wide range of businesses, including materials, healthcare, and IT, to name just a few, and these business activities have an impact on the earth's environment.

Consequently, the Teijin Group will recognize its environmental impacts and work towards finding a variety of solutions. While making the guarantee of safety a basic foundation, the Teijin Group will strive to achieve a society manifesting "low carbon," "effective materials circulation," and "existence in harmony with nature," and work towards the sustainable development of both society and the Company.

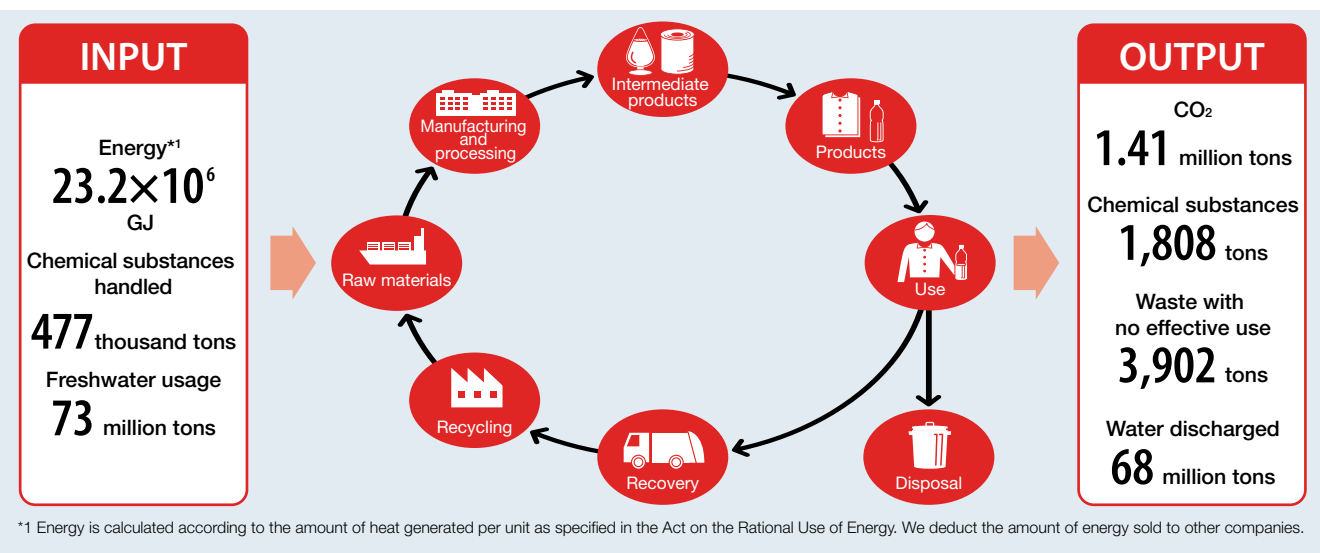
### Environmental Management and Reduction of Environmental Impact

The Teijin Group considers that environmental management refers to reducing environmental impact over the entire life cycle of products, including all processes from material procurement to production, use and disposal. We are working to integrate this with the Teijin Group's overall management strategy, provide environmental value solutions, reduce environmental impacts, conserve biodiversity, and promote environmental education and communication.

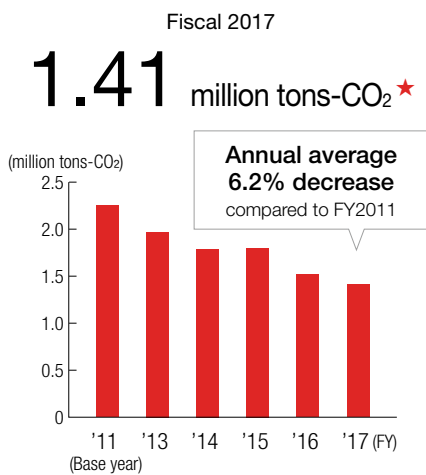
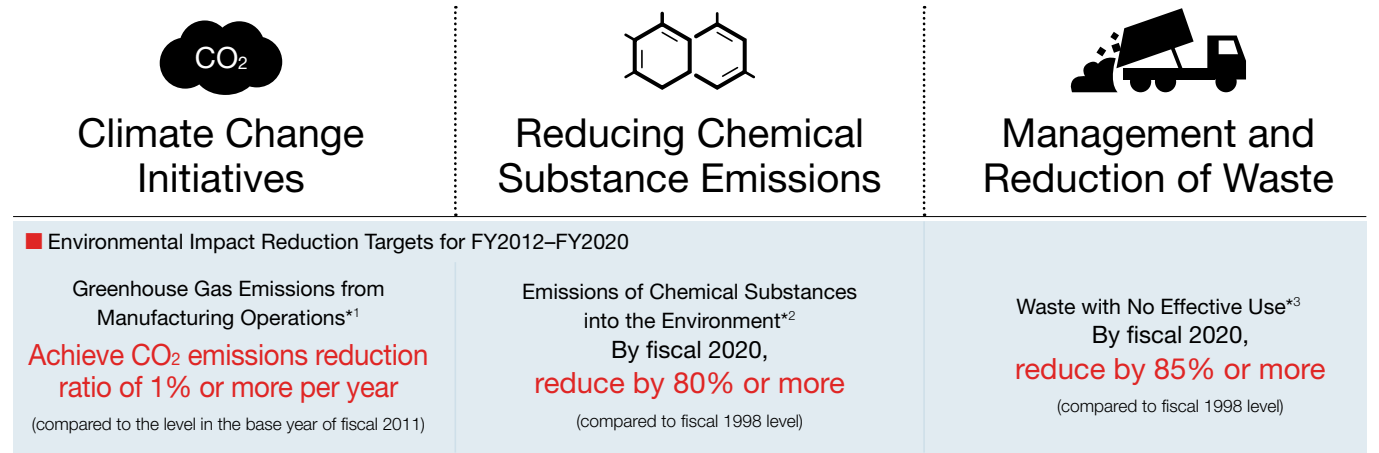
We are working to conserve energy, to use various resources effectively, to minimize emissions of chemical substances into the environment, to manage and reduce waste materials, to prevent soil and underground water pollution, and to conserve biodiversity.

### Environmental Impact during Manufacturing in FY2017 by Input/Output ★

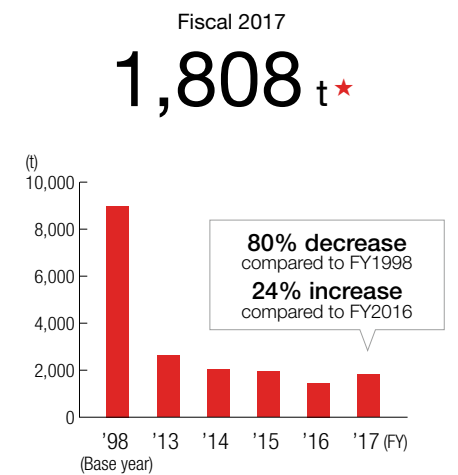
★...Independently assured indicators



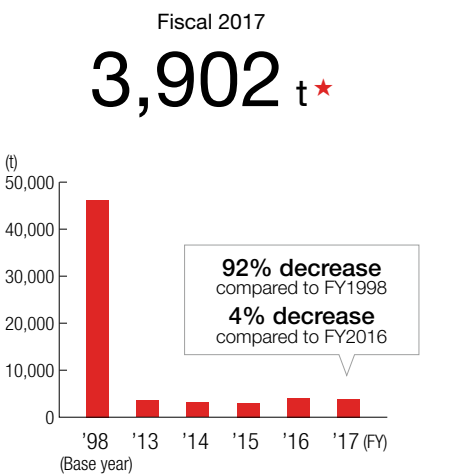
• The above figures do not include Continental Structural Plastics Holdings Corporation (CSP).  
• No seawater usage in FY2017.



The Teijin Group is working to reduce its greenhouse gas emissions released during manufacturing, both in Japan and overseas. In fiscal 2017, CO<sub>2</sub> emissions were reduced as a result of the close of the Tokuyama Factory and the termination of production at the Gifu Factory, in addition to the realization of emission reductions through a fuel conversion of in-house power generation equipment at the Mishima Factory of Toho Tenax Co., Ltd. (currently Mishima Factory of Teijin Limited).



We are actively committed to reducing emissions into the environment, covering 567 substances. These 567 chemical substances comprise the Class 1 designated chemical substances pursuant to the Law Concerning Reporting, etc. of Release to the Environment of Specific Chemical Substances and Promoting Improvements in Their Management (462 substances: revised in April 2010) and the chemical substances designated by the Japan Chemical Industry Association (105 substances). In fiscal 2017, chemical substance emissions increased due to an increase in production at factories that use large amounts of chemical substances.



The Teijin Group is committed to reducing the amount of waste it generates, as well as to reducing waste with no effective use by shifting to reusing resources and to material, chemical, thermal and other forms of recycling treatment. In fiscal 2016, the amount of waste with no effective use increased due to temporary factors such as the launch of new production lines. However, the amount of this waste decreased in fiscal 2017.

\*1 Includes CO<sub>2</sub>, methane and nitrous oxide. CO<sub>2</sub> emissions are calculated according to the coefficients specified in the Law Concerning the Promotion of Measures to Cope with Global Warming. (Up to fiscal 2014, an emissions coefficient for electricity of 0.555 kg CO<sub>2</sub>/kWh was used; in fiscal 2015, 0.579 kg CO<sub>2</sub>/kWh was used. After fiscal 2016, adjusted emissions coefficients of individual electric power companies are used for power purchased in Japan, and latest available IEA country-specific emissions coefficients are used for power purchased overseas.) However, for power purchased overseas, where known, power company-specific emissions coefficients are used for the calculations. We deduct an amount of CO<sub>2</sub> emissions equivalent to the amount of energy sold to other companies.  
\*2 The total amount of chemical substances released into the atmosphere, water and soil, and forming landfill inside business sites.  
\*3 Waste with no effective use refers to waste incinerated without heat recovery and waste for landfill.

### CLOSE - UP

#### Awarded a Gold Partner Certificate in the EcoVadis Sustainability Survey

Teijin Aramid B.V. (Netherlands), a Teijin Group subsidiary engaged in the aramid fibers business, has been awarded a Gold Partner Certificate, the highest rank in a survey conducted by EcoVadis (France), an independent sustainability rating platform for supply chains. Global environmental regulations have become stricter, and market needs with regard to sustainability and reducing environmental impact have increased. Under these conditions, the automotive market has increasingly required third-party assessments from suppliers. In order to solidify its position as a trustworthy supplier, Teijin Aramid has registered as a member of EcoVadis and has been covered by reports and assessments since 2015. The latest report shows that Teijin Aramid belongs in the top 2% of all suppliers in the synthetic fiber production category and in the top 1% of suppliers in all categories.