



 **TOYOTA TSUSHO CORPORATION**

Green Finance Framework

March 2026

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1. Introduction

Toyota Tsusho Corporation (“the Company” or “We,” together with its affiliates and subsidiaries, collectively referred to as the “our Group.”) originated from Nisshin Tsusho Corporation, which was established in 1948 as the successor to the trading division of Toyota Finance Corporation, the predecessor of the Company, which provided sales finance for Toyota vehicles and was dissolved after the war due to the second zaibatsu designation.

Our Group is comprised of 1,000 or more subsidiaries and affiliated companies. This solid foundation of strong linkages has grown to become a network of companies that build value on a global scale. Our Group classifies its operations as those related to its eight sales divisions: Metal+(Plus), Circular Economy, Supply Chain, Mobility, Green Infrastructure, Digital Solutions, Lifestyle, and Africa, and we, as a trading company, engage in business activities in a variety of fields across the globe, together with the major overseas affiliated companies. These business activities include sales transaction relating to a broad range of products as well as the manufacturing, processing, investing, and servicing of such products.

Mission Vision Values

Our Group is committed to its “Be the Right ONE” vision (a one-and-only presence) and its mission of “Passing on a better Earth to the children of the future.”

To this end, each and every employee seeks to awaken the Toyota Tsusho DNA passed down over time.



2. Our Contributions to the Sustainable Society

2.1 Stance on Sustainability

Our Group recognizes that sustainability is the same as good management, viewing it as a pillar that supports sustainable growth and value creation. Regarding sustainability as a new opportunity rather than merely a solution to environmental and social issues, we will accelerate transformation into a sustainable business model with the aim of becoming an even more trusted company.

2.2 Growth Strategies for Materiality

Our Group has identified six material issues for realizing a sustainable society. They comprise four material issues for solving social issues and achieving corporate growth, and two issues that will become foundations for the first four. Together, they form the basis for value creation within our Group.

The four material issues are closely linked to the value creation domains of social value, nature value, and core value within our Mid-Term Business Plan, while implementation of the plan is the mechanism by which we address the Materialities.

These businesses are also directly linked to the realization of our Group’s “Be the Right ONE” vision (of being an irreplaceable, one-and-only group).

Relationship Between Material Issues and Value Creation Domains in the Mid-Term Business Plan

Core Value	Businesses that contribute to realizing a next-generation mobility society
Nature Value	Businesses that contribute to solving environmental issues
Social Value	Businesses that contribute to solving social issues

Material Issues	Value Creation Domains in the Mid-Term Business Plan
Material issues for both solving social issues and achieving corporate growth	Strive for the elimination of traffic casualties and contribute to the creation of a safe and comfortable mobility society
	Contribute to the transition to a decarbonized society by reducing CO ₂ emissions from automobiles and factories/plants through the use of clean energy and innovative technologies
	Contribute to the development of a recycling-based society by transforming waste into resources for manufacturing
	Grow with developing countries, including those in Africa, and endeavor to solve social issues through business operations
Material issues that will become foundations for company growth	Begin everything we do with ensuring safety and compliance to continue being an organization trusted by society
	Respect human rights and actively develop people who will contribute to society by nurturing them and giving them opportunities to apply their skills

2.3 Initiatives for Contributing to the Transition to a Decarbonized Society

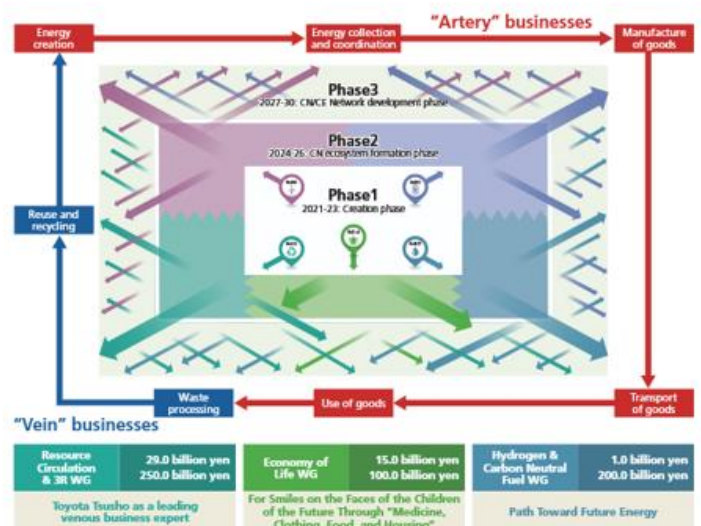
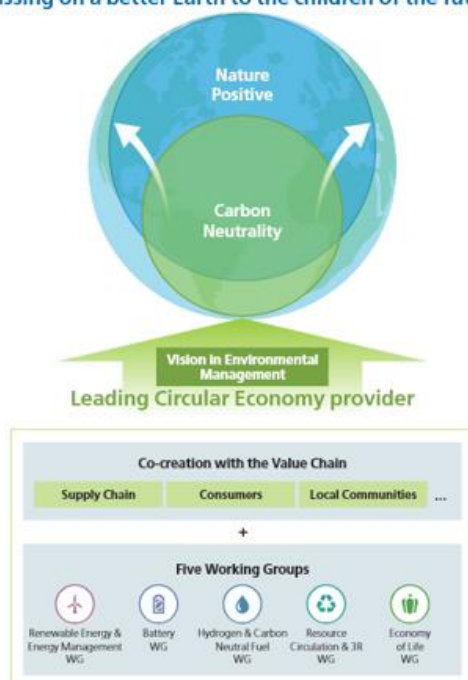
Aspiring to become the world's leading circular economy provider, our Group strives to promote carbon neutrality, a circular economy, and nature positive comprehensively and solve environmental issues. We will work to realize a sustainable society through our businesses to pass on a better Earth to the children of the future.

To contribute to transition to a decarbonized society, we established four internal working groups (WGs) in 2021 that focus on the five areas in which our Group has strengths, and have been firmly advancing initiatives that lead to carbon neutrality.

Our Group is also involved in businesses that support a circular economy (CE) throughout each stage of the industrial lifecycle including energy creation, energy collection and coordination, manufacturing, transportation of goods, use of goods, waste processing, and reuse and recycling as part of its initiatives to contribute to the transition to a decarbonized society.

Mission

Passing on a better Earth to the children of the future



* The lower row of the chart shows the investment framework through 2030; the upper row shows the amount already invested

Moreover, in 2021, our Group established the Carbon Neutrality Declaration, committing itself to achieving carbon neutrality by 2050 for its own emissions—Scopes 1 and 2. To fulfill our mission of “Passing on a better Earth to the children of the future,” we have now advanced this into the Net Zero Declaration, which includes Scope 3 emissions—those generated throughout the entire value chain.

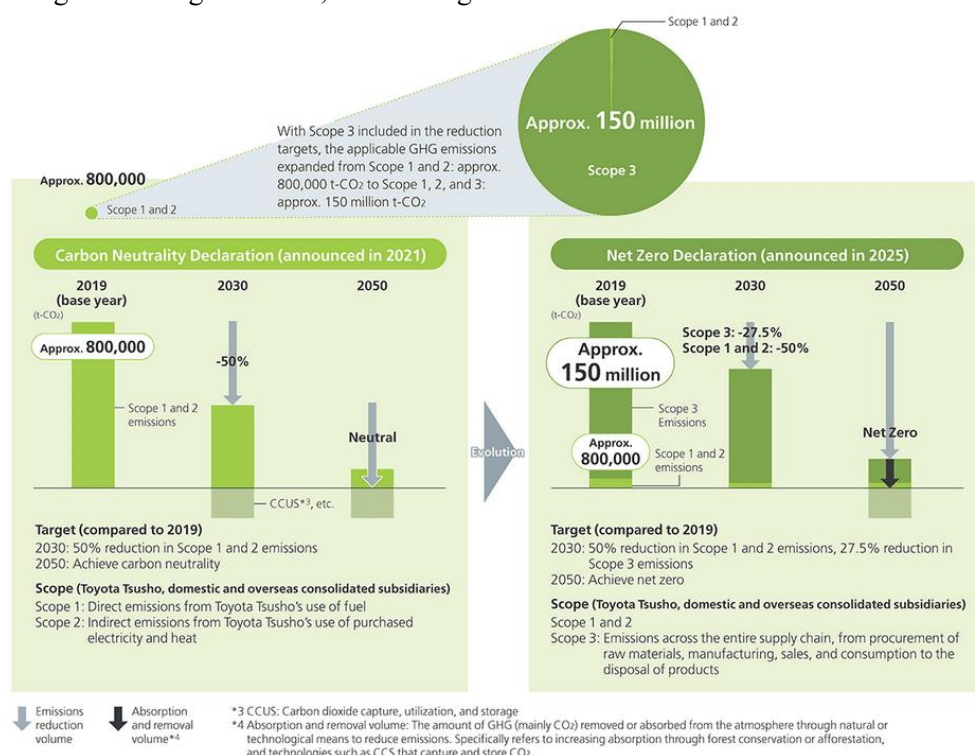
2.4 Environmental Initiatives through Renewable Energy Business

We are expanding our power generation business globally centered on power generation from renewable energy sources, such as wind power, solar power, biomass power, and hydroelectric power. As a business that contributes to solving global environmental issues, we have successfully grown to Japan’s top power generation company in terms of wind and solar power capacity. In addition to the power generation business, we have stepped up our storage battery and energy management businesses, working to increase and expand the use of renewable energy.

Our Group’s renewable energy business has a history that stretches back more than 30 years, starting in 1986, which was even more than 10 years before the adoption of the Kyoto Protocol. Since engaging in the wind power generation business in California in the United States, which was undertaken by the then electric power division of Tomen Corporation (now Eurus Energy Holdings Corporation, a group company of Toyota Tsusho), we have been one of the first companies to address global environmental issues. We have endeavored to popularize various types of renewable energy around the world, including in Japan.

Utilizing our expertise gained through our wind power generation business in the United States, we have since expanded to the United Kingdom, Italy, Spain, and other European countries, as well as to Asia, Japan, and Africa. Wind power generation is the largest part of our renewable energy business. In October 2019, we started the very first independent power producer (IPP) business in Egypt. Meanwhile, in Japan, we have been advancing our business since we built a wind farm in Hokkaido in 1999, and have grown to be the No. 1 wind power generator in Japan.

Furthermore, Eurus Energy Holdings launched a transmission business to overcome the issue of not being able to stably transmit generated electricity. The company has established a large-scale power grid along with storage batteries, maximizing the use of wind resources.



Our renewable energy business is also expanding to encompass alternative energy sources. Eurus Energy Holdings launched a solar power generation business in South Korea in 2008. In 2011, it constructed one of the United States' largest solar power generation facilities in California. In 2017, it also commenced operations at one of Hawaii's largest power facilities on Oahu Island, where fossil fuel resources are scarce and energy resources have heavily relied on imports. In April 2025, we integrated Eurus Energy Holdings and Terras Energy Corporation in an effort to further expand and strengthen our renewable energy business.

In Japan, we started our solar power generation business in 2013 and we have been advancing large-scale solar power plant (mega solar) projects in Hokkaido and the Tohoku and Kinki regions. Our Group company Ene-Vision Co., Ltd. commenced wood biomass power generation in 2015. The power it generates is distinctive for its lower environmental impact because it uses thinned wood from forest conservation and maintenance activities. Biomass power generation is less susceptible to weather conditions than wind power and solar power generation are enabling a stable supply of electricity. Furthermore, in 2018, we invested in The Tokyo Electric Power Generation Company, Inc., a subsidiary of Tokyo Electric Power Company Holdings, Inc., that operates small and medium-sized hydroelectric power generation businesses in Japan. Through the diversification of energy sources, our renewable energy generating capacity has now grown to over 4 GW compared to the 5,000 kW of wind power generating capacity we started with more than 30 years ago.

2.5 Purpose and Significance of Green Finance

In order to pass on a better Earth to the children of the future, we will contribute to the transition to a decarbonized society by accelerating the development of renewable energy projects that contribute to the reduction of greenhouse gas emissions and advancing carbon neutral initiatives, using the funds raised through green finance.

3. Structure of the Green Finance Framework

We will issue green bonds and/or procure green loans based on this Green Finance Framework (the “Framework”). We have established the Framework in alignment with key pillars set by the principles below.

The Framework has been created as a revised version that includes the content of the Green Finance Framework established in October 2022. The use of proceeds from the October 2022 Green Finance Framework maintains its eligibility under the Framework as well, and the management and reporting of proceeds will be conducted based on the Framework.

Principles

- 1. the Green Bond Principles 2025 (the “GBP”) administered by the International Capital Market Association (“ICMA”)**
- 2. the Green Loan Principles 2025 (the “GLP”) administered by the Loan Market Association (“LMA”), the Asia Pacific Loan Market Association (“APLMA”) and the Loan Syndications & Trading Association (“LSTA”)**

Four Key Pillars

- 1. Use of Proceeds**
- 2. Process for Project Evaluation and Selection**
- 3. Management of the Proceeds**
- 4. Reporting**

We have obtained a Second Party Opinion from Rating and Investment Information, Inc. that the Framework is in alignment with the GBP as administered by the ICMA and the GLP as administered by the LMA, the APLMA and the LSTA.

3.1 Use of Proceeds

We will allocate the amount equivalent to the net proceeds from green bonds and/or green loans under the Framework to CapEx, OpEx, and Investments that meet the following “Eligibility Criteria” below.

Allocation for existing projects will be conducted to CapEx, OpEx, and Investments up to three years prior to the issuance of green bonds. If more than three years have passed, we will check, at the time of raising funds, whether the existing project has maintained environmental improvement effects over the long term. In addition, to the extent possible, we will make efforts to allocate the amount equivalent to the net proceeds from green bonds / green loans by the next fiscal year after green bonds / green loans are issued / procured.

Eligibility Criteria

Eligible Project	Eligibility Criteria	Note
 	Development, Construction and Operation of Renewable Energy Project including Plant Construction, Power Generation, Power Transmission	
	Wind	Including both offshore and onshore
	Solar	-
	Solar Thermal	When non-renewable energy-derived power is used for backup power, the amount of such power must be 15% or less of the total amount of power generated
	Hydro Power	(i) run-of-river plants without an artificial reservoir or low storage capacity, (ii) have a life-cycle carbon intensity of less than 50 gCO ₂ e/kWh or (iii) power density greater than 10W/m ²
	Geothermal	Direct emissions of less than 100g-CO ₂ / kWh
	Biomass	Waste Material : <u>Residues from forestry and agriculture, residues of fishery resources</u> Restricted to those from fishery and aquaculture companies that have obtained MSC (Marine Stewardship Council) or ASC (Aquaculture Stewardship Council) certification <u>Waste from palm oil operations</u> Limited to waste from palm oil suppliers that are certified by RSPO (Roundtable on Sustainable Palm Oil) or RSB (The Roundtable on Sustainable Biomaterials) Non-waste Material : Restricted to sustainable feedstock not competing with food production with lifecycle GHG emissions of less than 100g CO₂e/kWh. For the projects that use wood and wood pellets, feedstock will be limited to those provided by wood suppliers or power generators certified by the Forest Stewardship Council (FSC) or PEFC (Programme for the Endorsement of Forest Certification). Non-waste materials exclude palm oil, peat, uncertified materials, or materials sourced from unknown suppliers
	Increase in Uses of Renewable Energy in our Electricity Consumption	
	Expenditures related to the Purchase of Renewable Energy Power, etc.	Including expenditures for the purchase of renewable energy through power purchase agreements (“PPAs”) / virtual power purchase agreements (“VPPAs”) If green bond tranches or green loan periods are longer than the term of the PPAs/VPPAs, the proceeds will be reallocated to other eligible projects for the remaining life of the bond/loan
	On-site Solar Panel Installation	-

Exclusionary Criteria

Below is the list of exclusionary criteria applicable to the allocation of the net proceeds from green bonds / green loans. We commit to not knowingly allocating such proceeds to projects and investments that meet any of the following exclusionary criteria.

- Development, refining and transportation of fossil fuels (including coal, oil and gas)
- Nuclear Power
- Arms/Military Industry

3.2 Process for Project Evaluation and Selection

For “Project Selection,” the Finance Department will firstly select projects that meet the “Eligibility Criteria” with support from the Carbon Neutrality Promotion Department. Then, the Finance Department will determine the allocation to relevant projects. The allocation will be approved by the General Manager of the Finance Department. For Investments, projects that meet the following points will be selected.

- Investment in renewable energy special purpose vehicles (SPVs) or business companies specializing in the renewable energy business, in principle
- If a project other than “Eligible Project” is involved in the investment target, it must be confirmed that the project does not fall under the “exclusionary criteria” and that it does not interfere with the execution of “Eligible Project.” Moreover, in light of “Responding to Environmental and Social Risks” stated below, the environmental and social risks of the project other than “Eligible Project” must be managed appropriately.

Even after “Project Selection” is complete, the Finance Department plans to confirm with Sustainability Management Group and monitor ESG-related controversies at least once a year as long as the funds raised under the Framework remain available. If we become aware of any ESG-related controversies, we will reallocate the funds raised to another “Eligible Project” and report on these facts.

The Finance Department will regularly confirm the content of the Framework and reflect/update the relevant changes in accordance with market best practices.

Responding to Environmental and Social Risks

We have conducted CSR activities under the leadership of the Corporate Planning Department based on the idea that sustainability should be linked to our management strategy. To promote the further enhancement of our stance on sustainability, we established the Sustainability Management Group within the Corporate Planning Department in April 2019. We hold Sustainability Management Committee in order to discuss, decide, and promote sustainability strategies. Contents discussed by the Sustainability Management Committee and responses to other issues such as climate change and human rights will be reported as appropriate to the Board of Directors and actions will be taken.

3.3 Management of the Proceeds

The Finance Department will manage the proceeds from bond issuances / loan procurements under the Framework in its general account, and will make a list of “Eligible Project” to check and monitor an amount equal to the net proceeds from the bond issuances / loan procurements based on the Framework to applicable “Eligible Project.” Any funds pending allocation will be invested temporarily in cash and cash equivalents. To the extent possible, we will make efforts to allocate the amount equivalent to the net proceeds from green bonds / green loans by the next fiscal year after green bonds / green loans are issued / procured.

In case a project is cancelled or postponed, proceeds will be reallocated to projects that are in compliance with the Framework by the next fiscal year after we become aware of project divestment, postponement, or ineligibility.

3.4 Reporting

We will strive to report on its website the allocation of the proceeds from green bonds / green loans and the environmental impact of “Eligible Project.”

The initial reporting will be made public by the next fiscal year after the green bonds / green loans are issued / procured. After the initial reporting, we plan to annually report on the allocation and impact until the amount equivalent to the net proceeds is fully allocated to “Eligible Project.”

Allocation Reporting

We will report on the allocation of proceeds from green bonds / green loans including following components, subject to applicable confidentiality obligations, to the extent feasible.

- The amount of allocation for each “Eligible Project” at the category level (the balance of any unallocated proceeds and information on how unallocated proceeds, if any, have been held in line with the guidelines set forth in the “Management of the Proceeds”);
- A brief description of “Eligible Project.”

Impact Reporting(Environmental Impact)

We will report on the following components, subject to applicable confidentiality obligations, to the extent feasible.

Eligible Category	Reporting Item
Development, Construction and Operation of Renewable Energy Project including Plant Construction, Power Generation, Power Transmission	• Assumed generation capacity (MW) • Estimated annual reduction in CO₂ Emissions (t-CO₂)
Increase in Uses of Renewable Energy in our Electricity Consumption	• Annual amount of renewable energy consumed (TJ)

4. External Review

4.1 Second Party Opinion

We have signed a contract with Rating and Investment Information, Inc. to provide a Second Party Opinion (SPO) on the environmental and social benefits of the Framework. The SPO is available on our website.

Disclaimer

The information and opinions contained in this Green Finance Framework (the “Framework”) are provided as at the date of the Framework and are subject to change without notice. None of Toyota Tsusho Corporation or any of its affiliates assume any responsibility or obligation to update or revise such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise. The Framework represents current Toyota Tsusho Corporation and its affiliates’ policy and intent, is subject to change and is not intended to, nor can it be relied on, to create legal relations, rights or obligations. The Framework is intended to provide non-exhaustive, general information. The Framework may contain or incorporate by reference public information not separately reviewed, approved or endorsed by Toyota Tsusho Corporation or its affiliates and accordingly, no representation, warranty or undertaking, expressed or implied, is made and no responsibility or liability is accepted by Toyota Tsusho Corporation or its affiliates as to the fairness, accuracy, reasonableness or completeness of such information. The Framework may contain statements about future events and expectations that are forward-looking statements. None of the future projections, expectations, estimates or prospects in this document should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of assumptions, fully stated in the Framework. No representation is made as to the suitability of any green bonds / green loans (collectively “Green Finance”) funded under the Framework to fulfil environmental and sustainability criteria required by prospective investors. Each potential purchaser of Green Finance should determine for itself the relevance of the information contained or referred to in this Framework or the relevant documentation for Green Finance regarding the use of proceeds and its purchase of Green Finance should be based upon such investigation as it deems necessary. Toyota Tsusho Corporation and its affiliates have set out our respective intended policy and actions in the Framework in respect of use of proceeds, project evaluation and selection, management of proceeds and reporting, in connection with Green Finance. However, it will not be an event of default or breach of contractual obligations under the terms and conditions of any such Green Finance if Toyota Tsusho Corporation or its affiliates fails to adhere to this Framework, whether by failing to fund or complete Eligible Green Projects or by failing to ensure that proceeds do not contribute directly or indirectly to the financing of the excluded activities as specified in the Framework, or by failing (due to a lack of reliable information and/or data or otherwise) to provide investors with reports on allocation of proceeds from Green Finance and environmental impacts as anticipated by this Framework, or otherwise. In addition, it should be noted that all of the expected benefits of the Eligible Green Projects as described in this Framework may not be achieved. Factors including (but not limited to) market, political and economic conditions, changes in government policy (whether with a continuity of the government or on a change in the composition of the government), changes in laws, rules or regulations, the lack of available Eligible Green Projects being initiated, failure to complete or implement projects and other challenges, could limit the ability to achieve some or all of the expected benefits of these initiatives, including the funding and completion of Eligible Green Projects. Each environmentally focused potential investor should be aware that Eligible Green Project may not deliver the environmental or sustainability benefits anticipated, and may result in adverse impacts. The Framework does not constitute a recommendation regarding any securities of any of Toyota Tsusho Corporation or its affiliates. The Framework is not, does not contain and may not be intended as an offer to sell or a solicitation of any offer to buy any securities issued by any of Toyota Tsusho Corporation or its affiliates. In particular, neither this document nor any other related material may be distributed or published in any jurisdiction in which it is unlawful to do so, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession such documents may come must inform themselves about, and observe, any applicable restrictions on distribution. Any decision to purchase any bonds should be made solely on the basis of the information to be contained in any offering document provided in connection with the offering of such bonds. Prospective investors are required to make their own independent investment decisions.