

JOINT REPORT PURSUANT TO THE FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT (CANADA) (THE “ACT”)

Introduction and Identity

Reporting Entities: **Toyo Tire Holdings of Americas Inc.** (“TTHA”) and **Toyo Tire Canada Inc.** (“Toyo Canada”)

Financial Reporting Year: January 1, 2024 to December 31, 2024

Toyo Canada is a corporation wholly owned by TTHA, a United States entity. TTHA is wholly-owned by Toyo Tire Corporation (“TTC”), a Japanese entity. These Toyo entities are collectively referred to herein as the “Toyo Group”, the “Group” and “we” and “our.” TTC’s stock is traded on the Tokyo Exchange.

Steps to Prevent and to Reduce the Risks of Forced Labour and Child Labour

In their respective previous financial years, the Toyo Group took the following steps to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods imported into Canada by Toyo Canada.

- Continued to identify human rights risks throughout the Group's business operations, as well as the supply chain, including the surveying of warehousing and manufacturing contractors and providing them with CSR Procurement Guidelines;
- Continued to assess the significance of the identified risks, and
- Formulated action plans based on the results.

Structure, Activities and Supply Chains

Structure:

The Toyo Group is headquartered in Japan and operates in 15 countries and regions, including Canada, with 34 consolidated subsidiaries, 10 associated companies and is engaged in the manufacturing and sale of tires (for passenger vehicles, light trucks, trucks and buses) and automotive parts.

The Toyo Group employs approximately 11,300 people globally and has seven tire manufacturing plants in Japan (2), USA (1), Malaysia (1), China (2) and Serbia (1).

In the Toyo Group, most employees work outside of Japan, and more than half of our consolidated net sales are generated outside of Japan. Our business is expanding globally, and we have growing opportunities to communicate with diverse stakeholders both in and outside of the company, making it ever more important to act in a way that respects the human rights of everyone involved in our corporate activities.

Activities:

The manufacture, distribution and sale of tires accounts for approximately 90% of the Group's global net annual sales, with the manufacture of automotive parts accounting for the remaining

10% of global net annual sales. The tire business manufactures and controls the global distribution of the following two tire brands: Toyo Tires and Nitto Tire.

Toyo Group's automotive parts business sells anti-vibration rubber and other parts produced in Japan, the United States, China and Thailand, primarily to automotive manufacturers in different countries.

Toyo Canada is the marketing and sales subsidiary for the Toyo Tires™ and Nitto Tire™ brands in Canada. It sources tires exclusively and directly from the Group's plants and directly manages and operates two tire distribution centers in Canada. The tires are imported into Canada by Toyo Canada and sold on a wholesale basis to tire retailers in Canada, who in turn sell them to private and commercial consumers. In certain circumstances, tires are sold by Toyo Canada directly to large volume purchasers. As of May 22, 2025, Toyo Canada has 65 employees in Canada across the operation of its pneumatic rubber tire importation and wholesale distribution business. Toyo Canada does not own or control any other entities.

A detailed outline of the Toyo Group's business activities is available on TTC's Corporate Profile page <https://www.toyotires-global.com/corporate/profile/>.

Supply Chains:

The Toyo Group's supply chain includes services outsourced to contractors spanning raw material procurement, research and development, marketing, manufacturing, distribution and sales. The primary procured goods are raw materials, components, molds, and manufacturing equipment to produce tires.

Procuring natural rubber in a continuous and stable manner is an important business challenge for the Toyo Group as it uses the natural resource as a primary material of its products. Meanwhile, the Toyo Group is aware of environmental and social issues arising in areas that produce and supply natural rubber to the Toyo Group—such as deforestation, ecosystem damage, and infringement on rights of local people including workers. The sustainable natural rubber procurement policy developed by the Toyo Group is designed to address environmental protection and such social issues as human rights and labour problems through the entire supply chain process for natural rubber and to promote the procuring of natural rubber in a responsible fashion as a means of supporting the development of a sustainable society.

As our business globalizes and our stakeholders diversify, we strive to carry out our business in a way that respects the human rights of everyone involved in our corporate activities, including those in our workplaces, at our suppliers, and within the communities where we operate. This will help us contribute to creating an inclusive society that supports everyone, including socially vulnerable people, by protecting them from exclusion, conflict, loneliness, and isolation. Group employees also recognize that they may potentially cause, contribute to or be complicit in adverse impacts on human rights through their own activities, and work to prevent this.

Policies and Due Diligence Processes

Global Human Rights Policies and Principles:

In January 2019, we enacted the Global Human Rights & Labour Policy, which supports the Universal Declaration of Human Rights, ILO Declaration and the 10 principles of the United Nations Global Compact.

In March 2019, Toyo Tires became a signatory to the United Nations Global Compact (UNGC), declaring our support for and commitment to achieving the UNGC's 10 Principles, which include supporting and respecting the protection of human rights, the elimination of all forms of forced and compulsory labour and the effective abolition of child labour.

The Group understands and respects the applicable local laws governing human rights in the countries in which we conduct business and follows the following international principles governing human rights:

- International Bill of Human Rights including Universal Declaration of Human Rights (UN: United Nations).
- Guiding Principles on Business and Human Rights (UNHRC: United Nations Human Rights Council).
- OECD Guidelines for Multinational Enterprises (OECD: Organization for Economic Cooperation and Development).
- Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (ILO: International Labor Organization).

As a means of providing a transparent benchmark for our corporate Environmental, Social and Governance (ESG) practices, the Toyo Group has been included in:

- FTSE4 Good Index Series
- FTSE Blossom Japan Index
- FTSE Blossom Japan Sector Relative Index
- SOMPO Sustainability Index
- MSCI Japan Equity ESG Select Leaders Index

Procurement Policies:

Our sustainable procurement activities are expanding. Our Group promotes responsible procurement supporting sustainable development by addressing social issues, e.g. human rights, labour, and environmental issues, across our global supply chain.

To respond to current global social issues and to aim for sustainable procurement with our suppliers, we reviewed our existing guidelines and summarized the Group's view on sustainable procurement as the "TOYO TIRE Group CSR Procurement Guidelines" (Vol.3). The CSR Procurement Guidelines are reviewed whenever there is a change in social demands or the business environment.

In addition, the Group utilizes a third-party survey and assessment system to ascertain its suppliers' efforts in compliance, human rights and labour, responsible procurement, and other areas. We assess risks based on the results of these fair and objective surveys, then engage with our suppliers and work together to address issues in the supply chain. By the end of 2024, this survey was conducted on raw material suppliers (including natural rubber suppliers) making

up at least 90% of our total transactions by financial value. By the end of 2025, we aim to survey the raw material suppliers (including natural rubber suppliers) that make up at least 95% of total transactions by financial value.

In 2024, as part of addressing the human rights risks identified through our due diligence processes, TTC distributed the Toyo Tire Group CSR Procurement Guidelines to warehousing contractors in Japan and manufacturing contractors globally, and requested that they support our standpoint and promote our initiatives. At the same time, we conducted a survey of these warehousing and manufacturing contractors, and received confirmation from all the companies that there is no slavery, human trafficking or other serious human rights violations occurring in their operations. We will continue our business partner engagement in 2025, aiming for ongoing prevention of slavery and human trafficking.

The Group's policies include directives on understanding, respecting, and complying with laws and regulations in each of the countries where we operate, as well as the fundamental human rights recognized by international standards, such as the Guiding Principles on Business and Human Rights, the Guidelines for Multinational Enterprises and the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.

See the following pages for further information.

Toyo Tire Group Charter of Corporate Behavior
<https://www.toyotires-global.com/csr/corporate/charter/>

Global Human Rights & Labor Policy
https://www.toyotires-global.com/csr/pdf/human_rights_en.pdf

Toyo Tire Group Code of Conduct
<https://www.toyotires-global.com/csr/corporate/conduct/>

Toyo Tire Group CSR Procurement Guidelines
https://www.toyotires-global.com/csr/pdf/procurement_en.pdf

Sustainable Natural Rubber Procurement Policy
https://www.toyotires-global.com/csr/pdf/sustainable_en.pdf

Processes for Preventing Forced Labour and Child Labour:

Introduction of a grievance mechanism:

Since 2006, TTC has operated an internal concern-raising system with a hotline available to employees and business partners, both in and outside of the company. This hotline also accepts reports related to human rights, including slavery and human trafficking. Each report is investigated, and measures are implemented based on the results in order to remediate the issue and prevent its recurrence. Our internal regulations prohibit retaliation for reporting concerns. We promote the hotline in the Toyo Group Code of Conduct Handbook and on the Group intranet to raise awareness. Toyo Canada and TTHA each have local Compliance and Advice Hotlines.

To further ensure that slavery and human trafficking are prevented, we also operate a special hotline for reports related to our supply chain for natural rubber, the core material used in the manufacturing of our main product, tires.

Establishing procurement guidelines and conducting self-assessments:

Along with requesting that our suppliers follow the Toyo Group CSR Procurement Guidelines, we also ask for their cooperation in communicating the goals of the guidelines further up the supply chain. We use a third-party survey and assessment system to ascertain our suppliers' efforts in compliance, human rights and labor, responsible procurement, and other areas. We assess risks based on the results of these fair and objective surveys, then engage with our suppliers and work together to address issues in the supply chain. By the end of 2024, this survey was conducted of raw material suppliers (including natural rubber suppliers) making up at least 90% of our total transactions by financial value. By the end of 2025, we aim to survey the raw material suppliers (including natural rubber suppliers) that make up at least 95% of total transactions by financial value.

The Group will continue to review the survey responses as they are received and will assess what steps we can take on an ongoing basis to further minimize the risk of forced labour and child labour arising in our supply chain.

Further, in order to prevent slavery and human trafficking from occurring at Group facilities, in 2024 we created the Forced and Child Labor Prevention Guidelines to inform managers and other relevant employees about the internationally recognized definitions of forced and child labor, important information regarding labor practices at the Group's production bases, routine prevention measures, and incident response processes. In 2025, we will use these guidelines to conduct self-assessments at our global production bases in order to further strengthen our systems for the prevention of human rights violations.

Code of Conduct and Charter of Corporate Behavior:

Our responsibility to respect human rights is also set out in the Toyo Group Charter of Corporate Behavior, which defines our basic stance in fulfilling our corporate social responsibilities. The fulfillment of this responsibility is also explicitly detailed in our Global Human Rights & Labour Policy.

The Toyo Group Code of Conduct states that each employee should conduct themselves in a way that respects the human rights of all people involved in the course of their duties. Respect for human rights and prevention of human rights violations (including prohibiting forced labour and child labour) are also stipulated in the Toyo Group CSR Procurement Guidelines and the Sustainable Natural Rubber Procurement Policy, both of which are aimed at promoting responsible procurement. We request that our business partners (suppliers) support and follow these guidelines and policies.

Each policy includes directives on understanding, respecting and complying with laws and regulations in each of the countries where we operate, as well as the fundamental human rights recognized in international standards, such as the Guiding Principles on Business and Human Rights, the Guidelines for Multinational Enterprises and the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy.

As our business globalizes and our stakeholders diversify, we strive to carry out our business in a way that respects the human rights of everyone involved in our corporate activities, including those in our workplaces, at our suppliers, and within the communities where we operate. This will help us contribute to creating an inclusive society that supports everyone, including socially vulnerable people, by protecting them from exclusion, conflict, loneliness, and isolation. Group employees also recognize that they may potentially cause, contribute to or be complicit in adverse impacts on human rights through their own activities, and work to prevent this from occurring. Our continued and further efforts will prioritize preventing and mitigating these important risks.

Future Initiatives:

The next step in our human rights due diligence will be to prevent occurrence of slavery and human trafficking within the Group by gaining further understanding of any human rights-related conditions within our Group and supply chain, as well as conducting additional surveys and verifying our current initiatives.

Furthermore, to eliminate slavery and human trafficking at suppliers, those who are found to not meet Group standards according to third-party evaluations will be encouraged to take seminars and other actions to deepen understanding and adoption of our position on sustainable procurement, while we monitor changes in evaluation results to check the effectiveness of these initiatives.

Employees in Canada and the United States:

Toyo Canada and TTHA's employees in Canada and the United States, respectively, encompass a range of warehouse and office roles, including warehouse workers, technicians, salespeople, finance, administrative functions, and middle and senior managers. Toyo Canada and TTHA fully comply, to the best of our knowledge, with all applicable employment health and safety legislation and regulation in their respective employment of personnel in Canada and the United States.

Assessment and Management of Forced Labour and Child Labour Risks

In 2023, we identified relevant human rights risks throughout the Group's business activities and supply chain, scored them by severity and likelihood, and assessed their significance with more weight given to severity in accordance with the UN Guiding Principles on Business and Human Rights. We then assessed these relevant human rights risks according to the rights holder (those who have the human rights that are at risk of being adversely impacted), which led to the ultimate identification of the following as important human rights risks that take priority based on severity should an incident occur: slavery and/or human trafficking of Group employees, employees of manufacturing contractors or distributors, and employees at raw material and other production sites.

In order to ensure objectivity, this process was conducted with the help of external experts in business and human rights. Our continued and further efforts will prioritize preventing and mitigating these important risks.

The Group has also formulated the Toyo Group CSR Procurement Guidelines and requests that all suppliers conduct business in accordance with said guidelines, so as to address environmental and social issues across our entire supply chain from production through

consumption. We are also appealing to our suppliers to help convey the purpose and nature of these guidelines further up the supply chain.

In its previous financial year and in its current financial year, Toyo Canada and TTHA are not aware of the existence of any forced labour or child labour issues, or any allegations of a forced labour and/or child labour issue arising within their business operations or supply chain.

Pursuant to our policies and processes, if any instance of forced labour or child labour is identified in our business activities and/or supply chain and brought to our attention, action will be taken to ensure the issue is immediately remediated. Ongoing confirmation will also be required from the relevant suppliers that no further forced labour or child labour issues arise in their workforce and supply chain.

Remediation Measures

Not applicable, as we have not identified any forced labour or child labour in our business activities and supply chain.

Remediation of Loss of Income

Not applicable, as we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our business activities and supply chain.

Training

We work continuously to raise awareness of the Toyo Group's responsibility to respect human rights by providing Group employees with e-learning sessions that address human rights issues.

We also strive to improve awareness of human rights through other measures, such as holding annual readings of the Toyo Group Code of Conduct handbook, conducting human rights education for new employees, coordinating human rights awareness activities at our business sites, and publishing in-house newsletters. Further, since establishing our Global Human Rights & Labor Policy, each year on International Human Rights Day, the head of management sends a message about human rights to all Group Employees.

The Toyo Group remains committed to improving awareness of human rights and preventing adverse human rights impacts within our corporate activities and workplaces. Going forward, we will continue these efforts and update the content of the training as needed to prevent human rights violations.

Assessing Effectiveness

In 2022, we introduced a third-party survey and assessment system to ascertain our suppliers' efforts in compliance, human rights and labour, responsible procurement, and other areas. The Toyo Group then does its own risk assessment based on the results of these impartial and objective surveys, and then engages with our suppliers to work together to address human rights and environmental issues in the supply chain. As of the end of 2024, this survey had been conducted on raw material suppliers (including natural rubber suppliers) making up at least 90% of our total transactions by financial value. By the end of 2025, we aim to survey the raw material

suppliers (including natural rubber suppliers) that make up at least 95% of total transactions by financial value.

We will consider using the results of the third-party survey to assess the effectiveness of our efforts to prevent and to reduce the risk of forced labour and child labour in our business operations and supply chains.

Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, in my capacity as Director and not in my personal capacity, I, the undersigned, attest that I have reviewed the information contained in this report for the Canadian Reporting Entities listed in this report above. Based on my knowledge, I attest that the information in this report is true, accurate and complete in all material respects for the purposes of the Act, for the Reporting Period listed above. This Report has been approved by the Board of Directors of Toyo Tire Holdings of Americas Inc. on May 22, 2025, pursuant to subparagraph 11(4)(b)(ii) of the Act.

Signed:



Name: Nobuo Yoshida

Title: TTHA Board of Director Member

Date: May 22, 2025

I have the authority to bind Toyo Tire Holdings of Americas Inc.