

March 31, 2025

Agreement Conclusion via “Mizuho Eco Finance”

Toda Corporation (Head Office: Chuo-ku, Tokyo, President: Otani Seisuke) has entered into a “Mizuho Eco Finance” loan agreement with Mizuho Bank, Ltd. (Head Office: Chiyoda-ku, Tokyo, President: Kato Masahiko) and is pleased to announce that the loan was executed today.

“Mizuho Eco Finance” is an environmental assessment loan product incorporating globally recognized environmental certifications and assessments. It is designed to promote customer companies’ initiatives towards the transition to a decarbonized society. It utilizes the environmental assessment model developed by Mizuho Research & Technologies Ltd. It scores customers’ initiatives and indices, providing loans to those customers who meet a certain score threshold.

Our company achieved the highest rating on the five-point scale by fulfilling high standards on the following items among the indicators used in the environmental assessment model, leading to the conclusion of this loan agreement.

- (1) Declaration of support for TCFD*1.
- (2) S&P/JPX Carbon Efficient Index*2 (carbon information disclosure status)
- (3) S&P/JPX Carbon Efficient Index (decile classification)
- (4) SBT*3 certification/commitment status
- (5) Environmental long-term vision for greenhouse gases*4 – Formulation content
- (6) Greenhouse gas discharging volume (Scope 1 + 2)*5
- (7) Greenhouse gas discharging volume (Scope 3)*5

Based on the basic sustainability policy established in December 2021, our company is strengthening its efforts towards ESG management. We are proactively addressing the resolution of the key issues (materiality) identified from various social challenges and business-related issues that envision the year 2050, which are essential to our group.

※1 TCFD (Task Force on Climate-related Financial Disclosures)

The “Task Force on Climate-related Financial Disclosures” established by the Financial Stability Board (FSB) under the direction of the G20 Finance Ministers and Central Bank Governors’ Meeting in 2016

※2 S&P/JPX Carbon Efficient Index

The index is based on the TOPIX universe, which is a representative stock price index that indicates trends in

the Japanese market and determines the weight of constituent stocks by focusing on the status of

environmental information disclosure and the level of carbon efficiency (carbon emissions per unit of sales).

Provided by S&P Dow Jones Indexes and the Tokyo Stock Exchange.

※3 SBT (Science-Based Targets)

Enterprises set greenhouse gas emissions reduction targets based on climate science, aligning with the goals of the Paris Agreement.

※4 Long-term environmental vision concerning greenhouse gases

Long-term Vision of Greenhouse Gas Discharge Volume in Post-2050 Future

※5 Greenhouse gas discharging volume (Scope 1 + 2, Scope 3).

The classification of greenhouse gas emissions as defined by the internationally recognized "GHG Protocol" as

a guideline for calculating greenhouse gas discharging amounts

Scope 1: The amount of greenhouse gases discharged from the use of fossil fuels in facilities such as

a company's factories and offices.

Scope 2: The amount of greenhouse gases discharged when producing energy supplied by other companies

but consumed by the company, such as electricity.

Scope 3: The amount of other greenhouse gases indirectly discharging.

We will strive to optimize our business portfolio by promoting strategic investments in priority management businesses and intangible assets that will drive future growth, and to achieve our mid- to long-term goal of 8% ROE, as well as to further enhance corporate value.

