

Environmental Strategy

We will pursue decarbonization-oriented management to realize Environment Vision 2050.

▼ Related SDGs



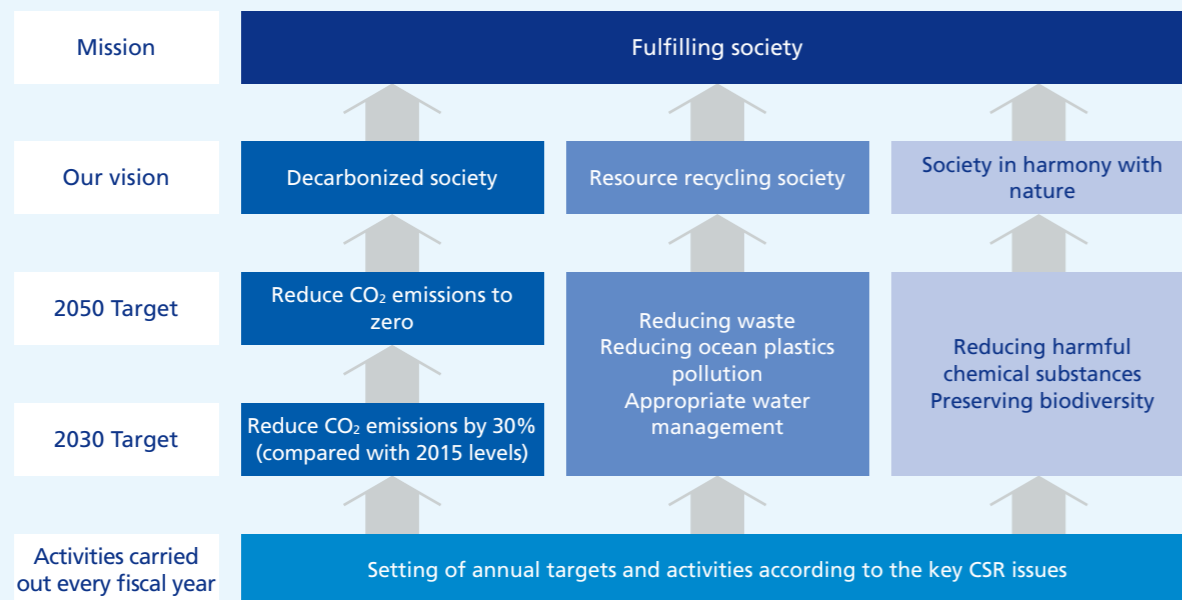
Environmental Vision 2050

Tamron has formulated the Environment Vision 2050 to help create a fulfilling society where all people can live lively and energetic lives, with consideration for recent trends in climate change caused by global warming.

To build a fulfilling society, we will engage in activities to achieve three visions, a decarbonized society, a resource recycling society and a society that exists in harmony with nature.

Environmental Vision 2050

We recognize that global environmental issues affect all of humanity. We will strive to reduce environmental impact, conserve the environment, and contribute to the development of a sustainable society that exists in harmony with the environment.

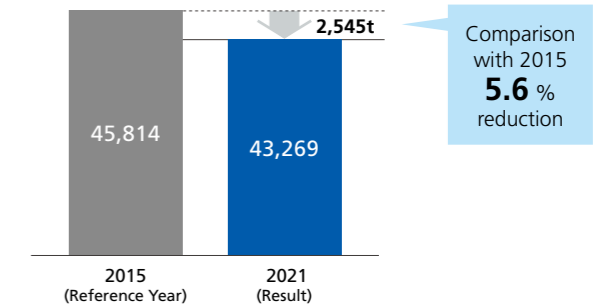


- **Policies and measures to achieve a decarbonized society**
 - Promote energy savings and reduce CO₂ emissions generated by air conditioning equipment and the product manufacturing process
 - Promote the introduction of renewable energies
- **Policies and measures to achieve a resource recycling society**
 - Work to reduce and recycle waste, and contribute to the reduction of ocean plastic pollution (business sites: reduce waste plastic, products: use recycled materials for packaging plastics and reduce volume)
 - Work to reduce water consumption and recycle water
- **Policies and measures to achieve a society in harmony with the environment**
 - Strive to preserve biodiversity through coordination and collaboration with local communities
 - Endeavor to reduce harmful chemical substances and implement appropriate management

State of Achievement of Reducing CO₂ Emissions in 2021

In 2021, Tamron set the target of reducing CO₂ emissions by 3% compared with 2015 levels. Although emissions increased at TAMRON OPTICAL (VIETNAM) CO., LTD. because the rate of operation increased due to strong business, we managed to reduce emissions by 5.6% overall, beating our target, in part due to solar-based renewable energy that has been pursued for some time, in addition to updated air conditioning heat source equipment installed at head office in 2020, and the complete replacement of air conditioning at TAMRON OPTICAL (FOSHAN) CO., LTD. in 2021.

CO₂ Emissions (Unit: t-CO₂)



Energy-Saving Initiatives

In 2017, Tamron Optical (Foshan) in China began installing solar power generation systems. Initially, emissions were reduced by around 180 t-CO₂ per year, and as a result of the expansion of facilities, last year emissions were reduced by around 608 t-CO₂, which translates to a little over 2%, at Tamron Optical (Foshan)

in China. In addition, starting this year the head office and Tamron Optical (Foshan) in China have purchased renewable energy credits for about 4,300 t-CO₂, corresponding to around 10% of companywide CO₂ emissions. We will strive to reach our reduction target of 6% compared with 2015 levels in 2022.



Solar power generation system (improvement at Foshan plant, China)



Solar power generation system (improvement at Tamron Europe China)

CSR Activities Pursued in Partnership with the Supply Chain

In keeping with its management philosophy and the Standards of Business Conduct, Tamron works with its suppliers to comply with laws and regulations and aims to build partnerships to provide high-quality products and services based on fair and transparent transactions. With regard to quality and the environment, we confirm the details of initiatives through on-site and document-based audits based on our own standards.

Since 2008, Tamron has engaged in CSR procurement. The

Tamron Supplier Code of Conduct, which is compliant with the latest edition of the RBA Code of Conduct, has been distributed to all suppliers along with a request for compliance. We also conduct SAQ surveys on the current state of CSR promotion as appropriate for suppliers in Japan and overseas. Going forward, we will continue to work with suppliers to consider measures to realize a decarbonized society.

Monitoring CO₂ Emissions in the Supply Chain

In addition to calculating direct emissions (Scope 1) and indirect energy-derived emissions (Scope 2), we have also calculated Scope 3 indirect emissions. As a result, we confirmed that

among our Scope 3 emissions, a large percentage are Category 1 (emissions produced from the extraction of or production of goods and services purchased or acquired).

Please check our website to learn more about our CO₂ emissions including Scope 3 emissions. https://www.tamron.com/csr/environment/co2_reduction.html

Environmental Strategy

Information Disclosures Based on TCFD Requirements

Governance

We recognize climate change as one of our key management issues. Tamron's policy on risk response including climate change and other important matters are discussed and determined by the CSR Committee, which is chaired by the president and whose members are all full-time officers and divisional heads. The committee reports material matters to the Board of Directors. Systems are in place to report important matters to the Board of Directors to enable suitable supervision. Progress towards the targets laid out in Environment Vision 2050 are also checked at quarterly CSR Committee meetings.

Strategy

We conducted an evaluation of risks and opportunities based on the 1.5°C scenario. We recognize the relevant risks and opportunities as shown in the table on the right. It will also be necessary to contribute to worldwide initiatives as part of the shift to decarbonized society to ensure the sustained corporate activities of Tamron. Tamron formulated Environment Vision 2050 for this purpose. We will contribute to a sustainable earth by reducing CO₂ emissions to zero by 2050.

Risk Management

Tamron views opportunities and risks associated with climate change as one of the important perspectives to be considered when formulating its business strategy. The CSR Committee chaired by the president revises the analysis and evaluation of opportunities and risks. In addition, a risk management officer has been assigned under the president to oversee and direct the control of important risks and responses to serious global events.

Indicators and Targets

We have set CO₂ emissions—which account for 98% of our greenhouse gas emissions—as one of our key climate change indicators, and manage targets related to CO₂ emissions.

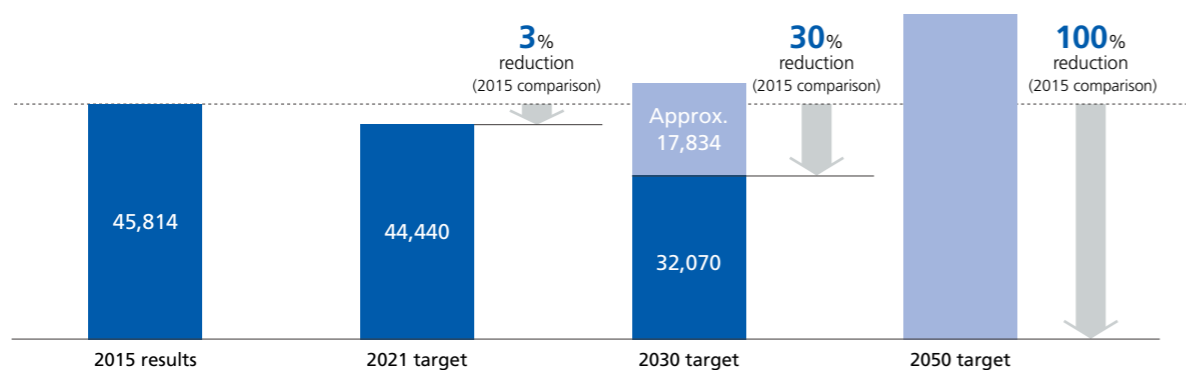
In Environmental Vision 2050, we aim to achieve zero CO₂ emissions in our business activities by 2050, and have also set the interim target of reducing CO₂ emissions by 30% compared with 2015 levels by 2030. We have also continued to calculate indirect emissions (Scope 3). Among Scope 3 emissions, since Category 1 emissions (emissions produced from all products purchased or acquired) account for a large percentage at approx. 69%, we will consider setting Category 1 reduction targets in the future.

Reduction of CO₂ emissions

To realize the decarbonized society we aspire to create in Environment Vision 2050, we have set the interim target of reducing CO₂ emissions by 30% compared with 2015 levels

by 2030, and have set the target of making 3% reductions each year since 2021.

Greenhouse Gas Emission Targets Based on Environment Vision 2050 (Unit: t-CO₂)



Risks and opportunities based on the 1.5°C scenario

Category	Items	Business impacts	Materialization timing	Possibility	Extent of impact
Transition risks	Burden of carbon taxes Renewable energy	<ul style="list-style-type: none"> Burden of carbon taxes and risk of increased costs due to renewable energy purchases When we estimate our CO₂ emissions, carbon tax burdens and renewable energy purchase amounts in 2030 based on the 1.5°C scenario (NZE2050, World Energy Outlook 2021), there are risks of the following costs increasing. <ul style="list-style-type: none"> Higher operating costs due to an increased burden from carbon taxes 309 million yen / year (breakdown: Japan 81 million yen, China 215 million yen, Vietnam 12 million yen) Increased operating costs due to higher burden from renewable energy purchases needed to meet 30% reduction compared with 2015 23 million yen / year (breakdown: Japan 17 million yen, China 1 million yen, Vietnam 3 million yen) 	Short term to long term	Large	Medium
	Reputation	<ul style="list-style-type: none"> Damage to corporate value or risk of suspension of trade through inability to respond to the shift to a decarbonized society While the Tamron Group will adapt to a decarbonized society based on Environment Vision 2050, if concerns emerge among stakeholders about our response, there is a risk of declining net sales due to damage to corporate value, the suspension of trade or other developments. 	Medium-to-Long term	Small	Medium
Physical risks	Cessation of business activities due to natural disasters	<ul style="list-style-type: none"> Risk of suspension of product supply as a result of factory shutdowns and disrupted supply chains due to natural disasters of increasing severity (flooding and localized torrential rain) As a result of assessing risks for our production sites (three sites in Japan and two overseas, in China and Vietnam respectively), we confirmed that changes to future operational risks due to flooding (overflowing rivers) are limited. We will deal with short-term climate change risks related to the supply chain with business continuity planning (BCP). 	Long term	Medium	Small
Opportunities	Expanded demand for infrastructure inspection lenses	<ul style="list-style-type: none"> Expanded sales of lenses used in inspections of infrastructure contributing to improved social resilience such as disaster prevention and mitigation We view this as a medium-to-long-term growth opportunity and aim to expand net sales through activities reflected in our management strategy. 	Medium-to-Long term	Large	Large

* Assessment as of March 2022

Assumptions for scenario analysis (as of 2030)

- 2030 emissions: approx. 49,904 t-CO₂ / year
- 2030 electricity rates: approx. 1.048 million yen / year
- 1.5°C scenario (NZE2050, World Energy Outlook 2021)