



MITSUBA Group Sustainability Report 2024





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Editorial Policy

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MITSUBA

Editorial Policy

About this report

This report shows the MITSUBA Group's stance on sustainability and its future direction, we also report on the initiatives for such.

In order to be easily understood by our stakeholders, we have kept the use of technical terms to a minimum and tried to compose the sentences in an easy-to-understand style.

■ MITSUBA Group's Sustainability Site

<https://www.mitsuba.co.jp/en/sustainability/index.html> 

Period covered for reporting

April 1, 2023 to March 31, 2024

However, for some activities and important activities, information outside the applicable period is also included.

Scope of the report

This report covers the entire MITSUBA Group, including MITSUBA Corporation and its Group companies. Company names are listed individually in reports that do not cover the entire MITSUBA Group.

Reference guidelines

- GRI Sustainability Reporting Standards
- SASB Sustainability Accounting Standards Board (Automotive Parts)
- Ministry of the Environment "Environmental Reporting Guideline 2018"

 **Message from Top
Management**003 [Message from Top Management](#)

I would like to express my deepest gratitude for your continued support and cooperation in MITSUBA's corporate activities.

MITSUBA Group has grown together with its stakeholders through efforts in solving social issues by putting our Mission Statement into practice. This way of thinking remains the same even today, as time passes and society advances. Rather, we believe that returning to this basic principle of management is even more important now that various social issues are becoming more serious around the world, and we have positioned our Mission Statement as our "Policy on Sustainability Activities."

At the same time, the business environment surrounding us is becoming increasingly uncertain, and society as a whole is being called upon to respond to social issues such as environmental problems. Moreover, stakeholders' expectations of companies regarding sustainability are increasing, and we believe that it is important for us to seriously meet and realize these expectations. To meet these expectations, our Medium-term Management Plan (2023-2027) has adopted the slogan "Become a company that meets the expectations of the mobility society and achieves sustainable growth" and we have set "enhancement of sustainability" as a priority issue.

This report has also transitioned to a sustainability report from FY2023, introducing our initiatives toward carbon neutrality and sustainability promotion targets for resolving materiality (priority issues). Moreover, we have now released a new "INTERVIEW" section, sharing the thoughts of employees active within the MITSUBA Group. We will continue to disclose information on our corporate activities and reflect your valuable opinions in the Group management, so we would appreciate your straightforward opinions and advice.



MITSUBA Corporation, Representative Director, Executive Vice President

Nobuyuki Take



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Profile

MITSUBA Group
Sustainability Report

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Profile

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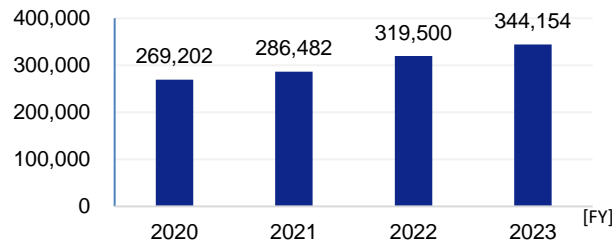
006 [Global Network](#)

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Overview of MITSUBA Group

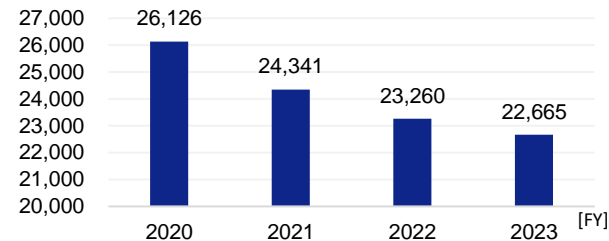
Consolidated Sales

[Millions of yen]

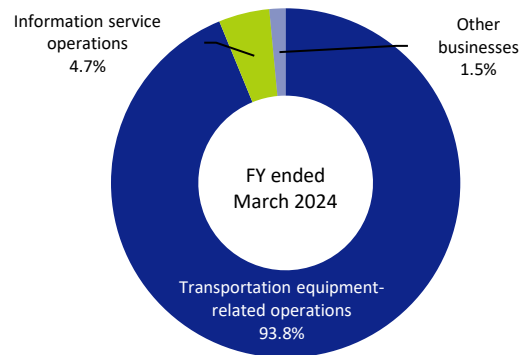


Consolidated Number of Employees

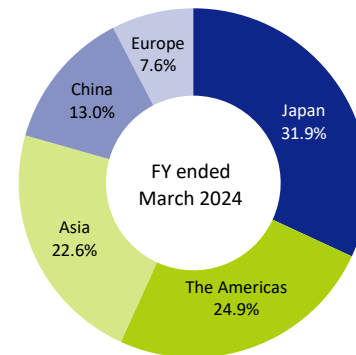
[People]



Sales Breakdown by Division



Sales Breakdown by Geographic Region





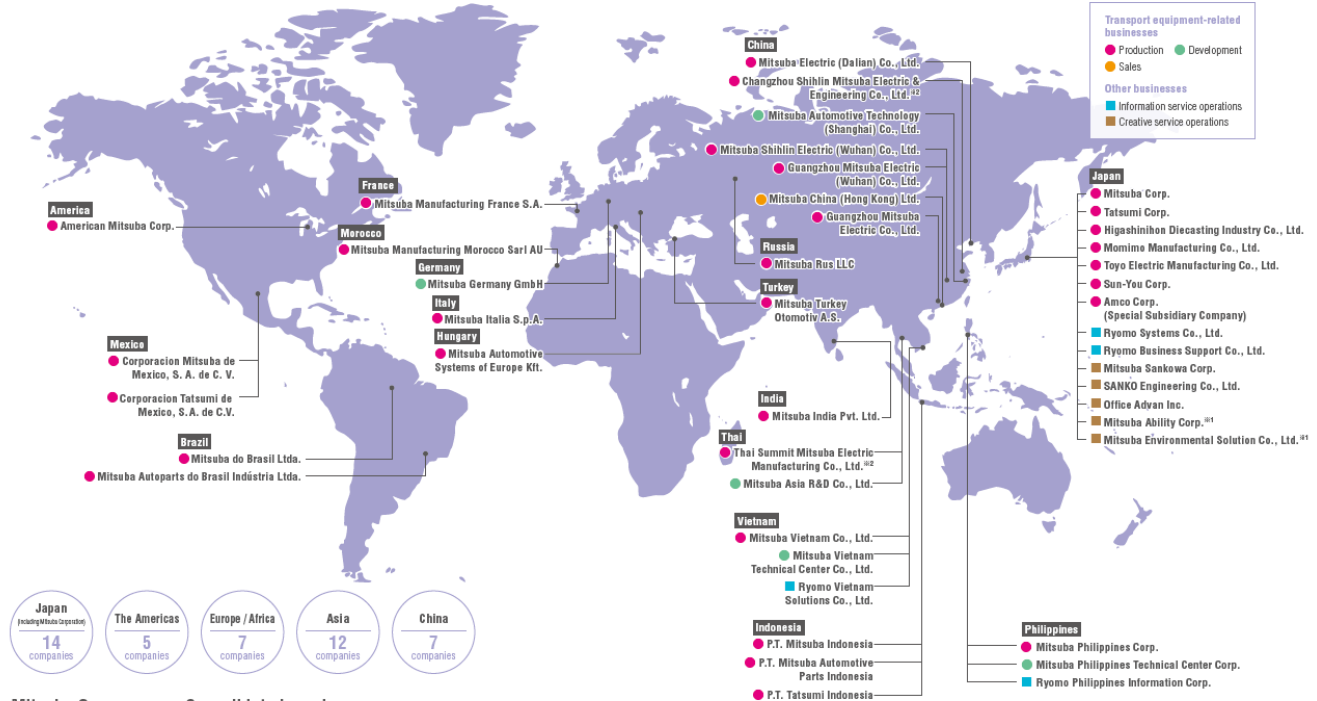
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Global Network



Mitsuaba Group
45 companies

Consolidated employees
22,665 (not including temporary hires)



#1 Unconsolidated subsidiary companies #2 Equity method affiliates

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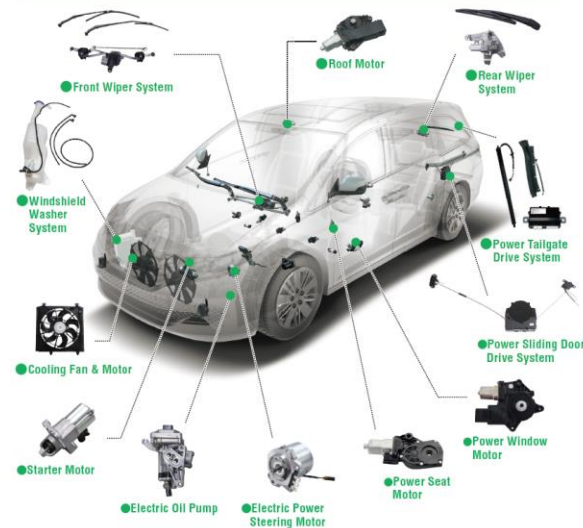
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Product Information

MITSUBA Group meets the needs of customers for “safety,” “convenience & comfort,” as well as the “environment,” in diversified mobility markets by globally providing products which integrate the technologies of “motors, controllers, and mechanisms.”

Focusing on products for automobiles (automotive products) and products for motorcycles (motorcycle products), we make use of these technologies to produce general use electrical products. Moreover, we are taking on the challenge of new business areas that make use of our core technologies, such as compact mobility, logistics, and robotics, in response to diversifying needs for electrified mobility.

Automotive Products



Motorcycle Products



Micro Mobility Products





Stakeholder Engagement

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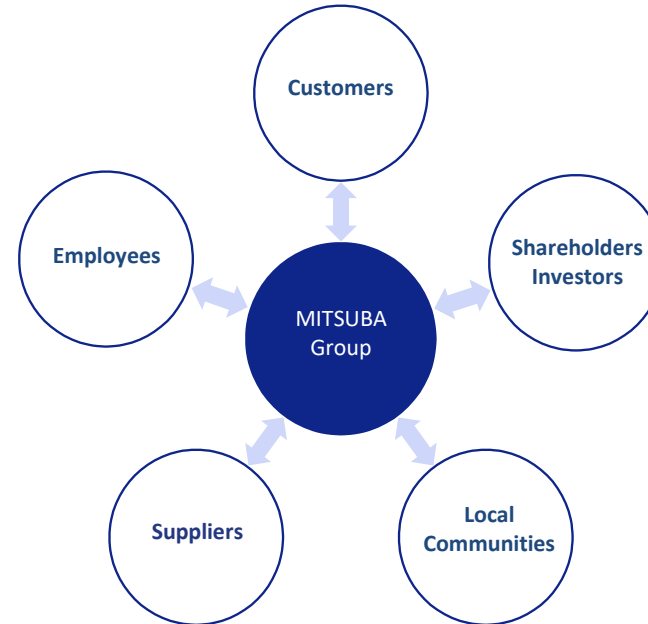
Stakeholder Engagement

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Engagement with Stakeholders

MITSUBA Group’s business has relationships with stakeholders such as customers, employees, suppliers, shareholders/investors, and local communities. Based on our Mission Statement, we respect two-way dialogue with all stakeholders involved in our business and carry out various activities to “provide pleasure and peace of mind.”





Stakeholder Engagement

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MITSUBA



Engagement with Stakeholders

Examples of Communication with Stakeholders

Target	Description	Frequency
Customers	Collaboration to realize customer policy	Daily
	Cooperation in surveys, etc. related to sustainability	Daily
Employees	Explanation of performance, policies, and strategies by the president and vice president (Management Policy Meeting)	Twice a year
	Internal communication through employee-only sites, etc.	Daily
Shareholders Investors	Explanation of business results, policies and strategies (financial result meetings, etc.)	Twice a year
	Explanation of performance and policies/strategies (individual visits)	4 times a year
	Plant visits, business explanations, etc. (plant visits)	About once a year
Suppliers	Providing information through sustainability reports and corporate websites	Daily
	Co-creation with suppliers (productivity improvement activities)	Daily
	MITSUBA Group CSR Procurement Policy Explanation (Procurement Policy Briefing)	About once a year
Local communities	Environmental volunteers such as forest maintenance and beautification activities	Daily
	Participation in local events	Daily



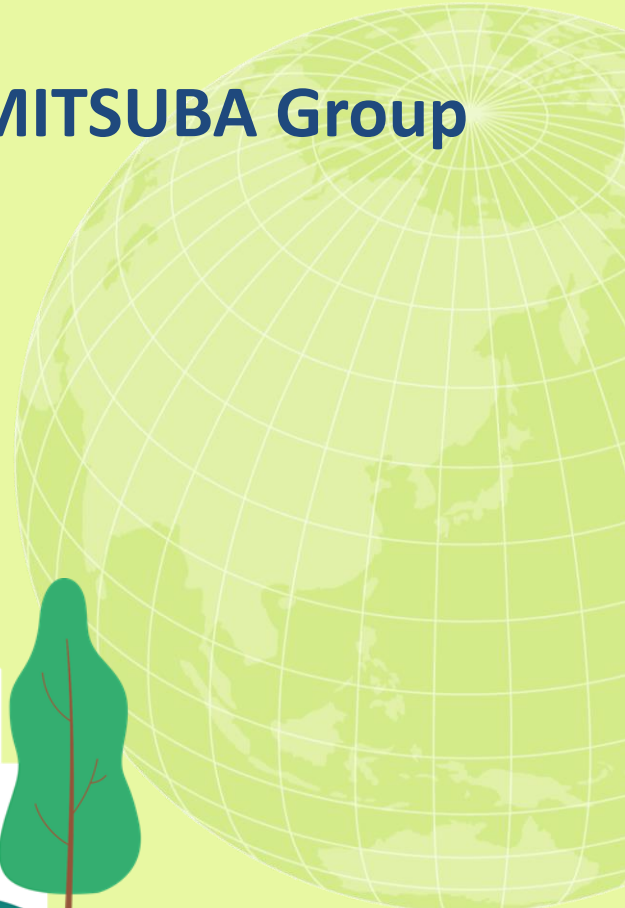
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MITSUBA



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MITSUBA



Corporate Philosophy

The corporate philosophy represents the basic concept of all corporate activities, and MITSUBA’s strategies, plans, various systems, business activities, etc., are all built under the corporate philosophy. MITSUBA places the “Mission Statement” that constitutes this corporate philosophy as its sustainability policy.

MITSUBA Group aims to be a company that meets the expectations of the society and is trusted by putting its philosophy into practice.

Mission Statement

**Together with those who support it,
MITSUBA will provide pleasure and peace of mind to the people of the world
by creating technology in harmony with society and the environment.**

Management Policy

- *We will make MITSUBA the brand of choice on a global scale.**
- *We will use our technology as a driving force to take up the challenge of creating new markets.**
- *MITSUBA will bring out the best in its associates, as its associates bring out the best in MITSUBA.**

Guidelines for Action

Vision Challenge Speed



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Codes of Practice

We express our stance as a code of practice so that we can be the most trusted by all of our stakeholders, including our customers, employees, suppliers, shareholders/investors, local communities, etc. who support the activities of MITSUBA Group. We believe that having each and every one of us understand the spirit of the Group Code and faithfully comply with it will lead to greater transparency as a company and the trust of our customers.

MITSUBA WAY

The MITSUBA WAY consists of codes of practice based on the understanding, thoughts, decision-making, and actions of each and every MITSUBA Group employee during his/her daily work activities. MITSUBA's DNA, which MITSUBA has held since its founding as a manufacturing company, consists of three core values: "Creating a Vision", "Challenging Spirit", and "Skill and Speed." These three core values are further divided into eight domains.

Creating a Vision

1. Building Trust
2. Proposing New Value

Challenging Spirit

3. Awareness of Our Roles in the Company
4. Self-Motivated Growth
5. Utilizing Teamwork

Skill and Speed

6. Improving Skills and Techniques
7. On-site Fact Finding
8. Continual Improvement



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MITSUBA



Codes of Practice

How We Should Act

The “How We Should Act” details the sustainability actions that each MITSUBA Group employee should practice in his / her daily work in order for MITSUBA Group to respond to society’s expectations and build a trustworthy business. To ensure we respond to society’s expectations and are a trustworthy business, MITSUBA has established the items in “How We Should Act.”

Corporate Ethics

(1) Health and safety

I will strive to create a safe and healthy working environment for the peace of mind of each individual member of MITSUBA Group.

(2) Protecting human rights

To ensure that MITSUBA Group is a discrimination-free workplace, I will accept the differences of people and personalities of the world over, and act fairly toward each and every person.

(3) Environmental protection

Because MITSUBA Group is actively involved in environmental protection, I will act in accordance with MITSUBA Environmental Declaration.

(4) Traffic safety

Because MITSUBA Group is a leading business in promoting traffic safety, I will abide by traffic laws and drive safely.

(5) Information protection

I will pay strict attention to careful management of internal and external information held by MITSUBA Group.

(6) Fair and wholesome transactions

To ensure that MITSUBA Group is a business that maintains fair and wholesome relationships with its customers and clients, I will ensure that transactions are fair and wholesome.

(7) Eradicate connections with antisocial agents

I will not be involved with antisocial agents, affiliated persons or companies that affect the order and safety of society.

(8) Communication

Because MITSUBA Group is a company with a high level of transparency, I will strive to maintain appropriate communication.

(9) Social contribution

Because MITSUBA Group is a company that “Fulfills its role as a member of society,” I will actively engage in activities that contribute to the society.



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Codes of Practice

How We Should Act

Compliance

(1) Correct understanding of laws and regulations

Along with correctly understanding and abiding by the content and spirit of relevant laws and regulations, I will keep up with amendments and deal with them appropriately.

(2) Measures when laws, regulations, or in-house regulations are unclear.

When laws, regulations, or in-house regulations are unclear, I will consult with MITSUBA legal department, government agencies, or external experts in order to ensure correct understanding.

(3) Measures when laws, regulations, or in-house regulations have been violated.

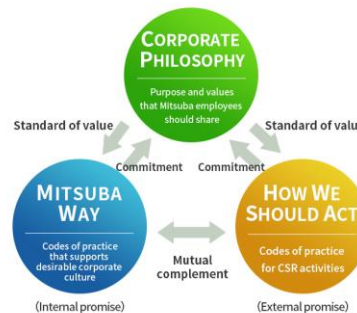
If actions that violate or could violate laws, regulations, or in-house regulations are discovered, I will report to and confer with my superior and the head of the General Affairs Department, or “MITSUBA Comprehensive Consultation Desk.”

(4) Reporting to and notifying government agencies

I will make the appropriate reports and notifications to the government agencies as required by relevant laws and regulations.



Diagram showing the correlation among our Corporate Philosophy, the “MITSUBA WAY,” and Actions MITSUBA takes



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MITSUBA VISION 2030

We are committed to offering optimal solutions for electrification, contributing to the realization of a carbon-neutral society. Our goal is to become a corporate group that continues to strive for mutual growth with the society.



MITSUBA's business started with generator lamps for bicycles. Aligned with our philosophy and mission statements, we have developed, manufactured and provided a variety of automotive and electrical components, offering pleasure and peace of mind to people in the world in accordance with the advancement of the mobility society. We have great respect for our customers and continue to work diligently to fulfill their needs. This is what has helped shape MITSUBA and makes us unique with its excellence in "technologies that drive things" and commitment to "alignment and optimization." We will continue to pursue "optimal solutions" with this mindset. Moving forward, MITSUBA will take a wide range of business opportunities for electrification, from electrical parts for automobiles, to electrification of driving sources, to commitment to reduction of carbon footprint for the entire supply chain, and even to business development to new market fields. We will contribute to the realization of a carbon-neutral society, offering "optimal solutions" with this proactive approach. Through these actions, the MITSUBA Group will seek not only its sustainable progress, but also mutual growth and prosperity with customers, employees, business partners and stakeholders. This is the future we pursue.

Meet the mobility society's needs by demonstrating our global niche capabilities.

Create new markets with technologies that drive things and open innovation.

Share joy through "Challenge, Teamwork, and Creation" with members of the Global Team.

Toward the Realization of MITSUBA VISION 2030

Automobile and Motorcycle



- CASE Safety, autonomous driving, connected, electrification
- Decarbonization in the product life cycle

Ultra-Micro Mobility and Service Robots



- Driving motor system (electrification)
- Collaborative operation robot
- Avatar robot (remotely controlled)

Services and Experiences



- Mobility assistance for the elderly / autonomous mobility scooters
- New public service (last one mile)

Creating newly added value in response to diversifying electric mobility needs

Three Growing Areas (Electrification Solutions Business Area)

We will accelerate our response to high-value-added products, including products for CASE, which are expected to grow in the future due to the rapid electrification of mobility. Particularly in the following areas where future growth is expected, we will continue to promote product development in the newly established "Electrification Solutions Business."

[For thermal management]



Brushless fan and shroud

[For ADAS / autonomous driving]



Electric power steering motor
Electric oil pump

[For micro mobility]



General-use low-profile driving system
Micro EV driving system

Sustainability at the MITSUBA Group

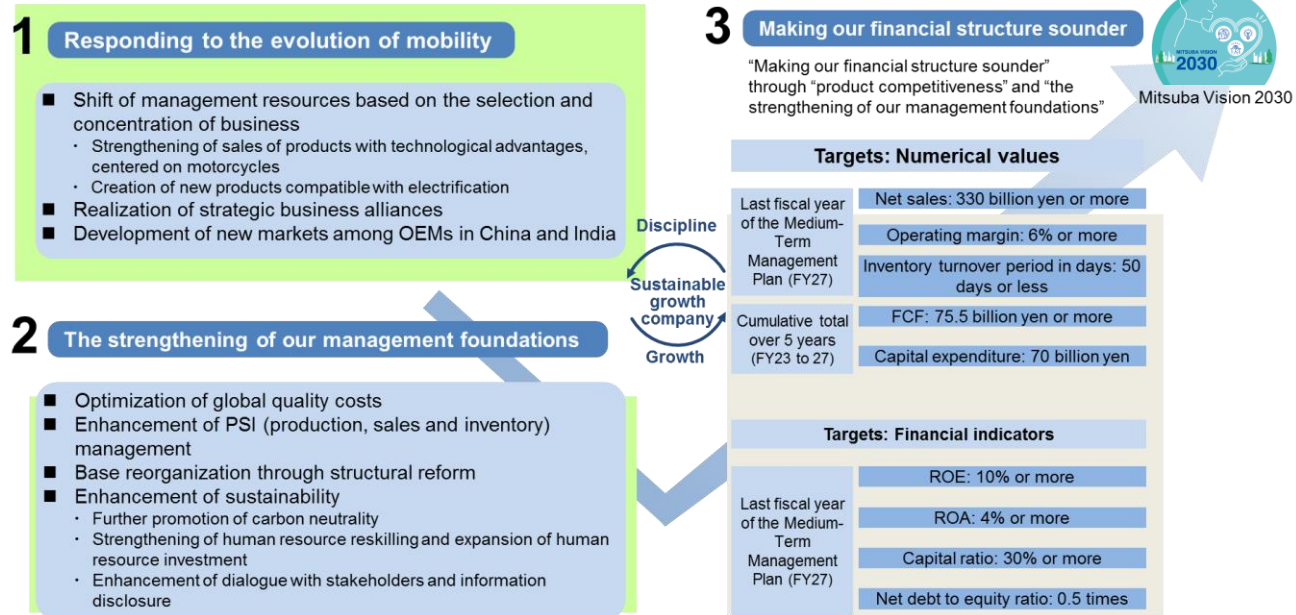
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Medium-term Management Plan

Medium-term Management Plan (2023-2027)

MITSUBA Group has formulated a Medium-term Management Plan (2023-2027) to achieve MITSUBA VISION 2030 and become a sustainable growing company. As a priority measure for “strengthening the business foundation,” we will further deepen our initiatives for “enhancement of sustainability” to achieve sustainable growth and further improve our corporate value.





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Responding to the Evolution of Mobility

MITSUBA Group is identifying the risks and opportunities in the external environment responding to the evolution of mobility. We have clarified the actions to be taken in the medium-term and long-term for each of the automotive and motorcycle markets, and we are working on activities to resolve social issues through our business operations in accordance with the action policies for each business portfolio.

Medium-term automotive market risks, opportunities, and actions

	Medium-term Perspective from FY2023 to FY2027		
	Risks	Opportunities	Actions
General Products	- Increase in costs due to environmental changes	- Expansion into new areas through electrification	- Strengthening of the cost competitiveness through price optimization and structural reforms
Field-of-vision system / Convenience and comfort	- Increase in market share of Chinese manufacturers	- Softening of the competitive environment through electrification - Superior layout flexibility by compact and lightweight design	- Shifting to OEMs, from which earnings can be expected by selection and concentration - Launching of new compact and lightweight system on the market
Door system	- Intensifying cost competitiveness	- New demand for automatic door opening and closing systems due to autonomous driving, etc.	- Creating new value through collaboration with convenient and comfortable products
Thermal management system / Chassis system	- Intensifying price competition as competitors concentrate on electrification	- Sales expansion to the existing OEM electric vehicles	- Developing new products compatible with electrification and CASE
Engine accessories	- Decrease in product demand due to decline in ICE (Internal Combustion Engine) vehicles	- Softening of the competitive environment as ICE vehicles decrease	- Identifying strategies for ICE-specific products (Long-term use or withdrawal, production consolidation, etc.)
Climate Change (TCFD)	Transition risks	- Increase in costs due to the introduced carbon tax - Increase in procurement costs due to the growing demand for CO ₂ reduction - Increase in energy costs due to the expansion of renewable energy, etc.	- Reduction of business shadow costs by switching to energy-efficient production equipment - Reduction of business operation costs through more efficient production and logistics
	Physical risks	- Damages caused by abnormal weather and its impact on operations, etc.	- Gaining trust from customers by ensuring stable supplies in times of disaster - Improving disaster countermeasures throughout the supply chain

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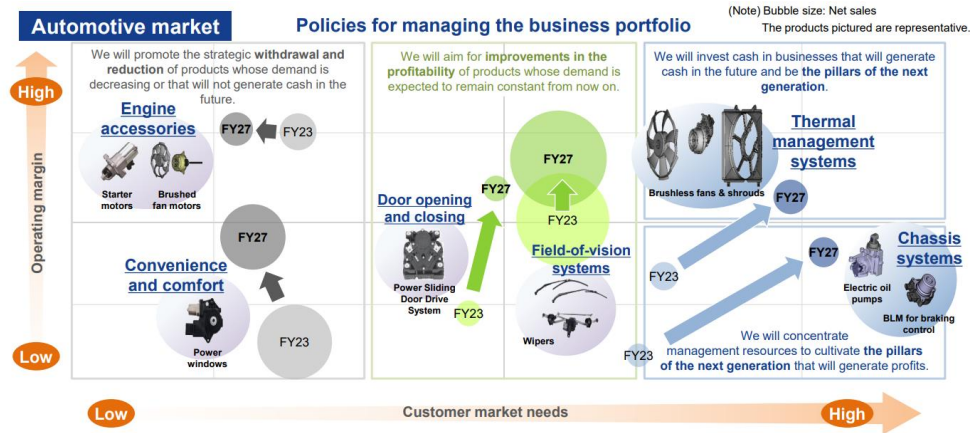
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Responding to the Evolution of Mobility

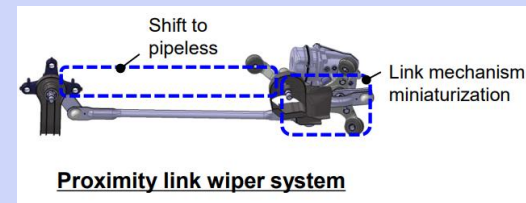
Policies for Managing the Business Portfolio (For the Automotive Market)



TOPICS

Increase added value with brushless motors

MITSUBA has begun the mass production of the world's first brushless control wiper motor system, equipped with magnets that do not use rare metals while maintaining its conventional performance. Furthermore, the proximity link wiper system has a more compact link mechanism and eliminates the need for pipes, resulting in a 30% weight reduction compared to conventional systems.





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Responding to the Evolution of Mobility

In the motorcycle market, we are promoting the development of original drive systems that achieve long driving range by reducing electricity consumption through compactness and lightweight, in order to expand the use of electric motorcycles. On the other hand, considering the charging environment and other infrastructure in each country, a full transition to electrification will take a considerable amount of time, so bioethanol fueled vehicles are also attracting attention, and we are also promoting the development of brushless pumps that can use multiple fuels such as gasoline and bioethanol.

Medium-term motorcycle market risks, opportunities, and actions

	Medium-Term Perspective from FY 2023 to FY 2027		
	Risks	Opportunities	Actions
General Products	- Increase in costs due to environmental changes	- Growth in local markets such as India	- Securing profits for survivors through continued production and delivery
Fuel system / Engine accessories	- Intensifying cost competitiveness	- Softening of the competitive environment through electrification - Long-term use of ICE vehicles that switch fuel from gasoline to bioethanol	- Developing new products for bioethanol fueled vehicles
EV drive	- Major OEMs to become self-sufficient - Delay in establishing a charging environment	- Major OEMs and start-ups launch	- Developing original drive system - Expanding sales to startups in India
LED lights	- Intensifying cost competitiveness	- Growth in local markets such as India	- Developing new customers, mainly in India
Climate Change (TCFD)	Transition risks	- Increase in costs due to the introduced carbon tax - Increase in procurement costs due to the growing demand for CO ₂ reduction - Increase in energy costs due to the expansion of renewable energy, etc.	- Reduction of business shadow costs by switching to energy-efficient production equipment - Reduction of business operation costs through more efficient production and logistics
	Physical risks	- Damages caused by abnormal weather and its impact on operations, etc.	- Gaining trust from customers by ensuring stable supplies in times of disaster - Improving disaster countermeasures throughout the supply chain



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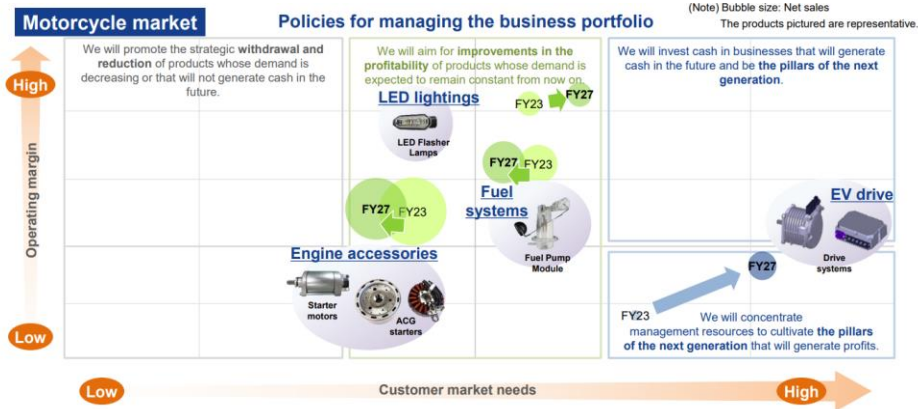
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Responding to the Evolution of Mobility

Policies for Managing the Business Portfolio (For the Motorcycle Market)



TOPICS

Development of products for electronically controlled clutch systems for motorcycles

The electronically controlled clutch (E-Clutch) is an electronic control technology that automates clutch control, enabling smooth starting and gear changes without the need to operate the clutch lever. MITSUBA received a Development Award from Honda Motor Co., Ltd. in recognition of the development of the actuator installed in the E-Clutch system for motorcycles (*).

(*) E-Clutch system for motorcycles

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Enhancement of Sustainability

Materiality (Priority Issues)

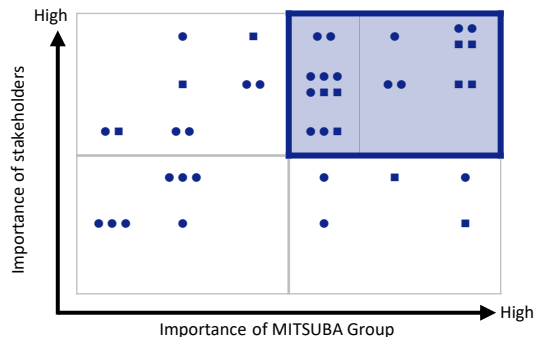
In order to increase corporate value and grow sustainably, MITSUBA Group has considered the importance of various social issues from the perspective of both the MITSUBA Group's business and stakeholders and has also identified materiality (priority issues).

Materiality Identification Process

Extract social issues related to MITSUBA Group and social issues that MITSUBA Group has been voluntarily addressing among the items emphasized by the GRI Standards, etc.

↓

Identify materiality based on the importance of stakeholders and MITSUBA Group.



↓

The ESG Committee, a company-wide meeting chaired by the Representative Director and Executive Vice President, will resolve the identified materiality.

Materiality (Priority Issues)	
Solving social issues through business	Creation of new value products for the next generation centered on electrification
	Provision of safe and secure products
	Contribution to the realization of a carbon-neutral society
	Efficient use of resources
	Reduction of use of hazardous substances
Basics of business activities	Strengthening of Group Management Governance
	Maximization of human capital
	Increase of job satisfaction
	Industrial safety and health
	Strengthening of information security
	Compliance
	Risk management
	Sustainable procurement



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Enhancement of Sustainability

Sustainability Promotion Goals

MITSUBA Group has set annual goals to resolve materiality (priority issues) related to sustainability. Related departments and committees formulate measures to achieve the goals, incorporate them into concrete plans, and monitor the progress at ESG committees, leading to steady promotion and improvement of initiatives.

Theme	Related Materiality	FY2024 Goal
Strengthening of carbon neutral Initiatives (*)	P45	Contribution to the Realization of a Carbon-neutral Society Formulation and development of the Group's introduction policy for renewable energy Establishment of a method for calculating CO ₂ emissions per product
Sustainable resource saving	P52	Efficient Use of Resources Waste recycling rate of 90% or more
Strengthening of product control substance management system	P59	Reduction of Use of Hazardous Substances Management system evaluation based on industry standards: 3.5 points or more
Promotion of diversity	P78	Maximization of Human Capital Promotion of 10 or more women to managerial positions Improving the employment rate of PWDs
Improvement of employee engagement	P71	Increase of Job Satisfaction Clarification of issues through engagement surveys
Promotion of accident prevention activities in the workplace	P89	Occupational Safety and Health Number of occupational accidents at MITSUBA: 4 or less (2022 data) Number of occupational accidents at affiliated companies: 4 or less (2023 data)
Strengthening of information security management system	P113	Strengthening of Information Security Leakage of confidential information: 0 cases
Anti-corruption activities at overseas Group companies	P105	Compliance Complete understanding of the current status of major overseas Group companies
Promotion of BCP	P108	Risk Management Completion of medium-term BCP action plan Completion of deployment of BCP system and regulations to domestic and overseas Group companies
CSR development for suppliers	P30	Sustainable Procurement Reviewing of CSR Procurement Guideline and conducting of training Raising the level of companies with low CSR survey scores

(*) We avoid funding any climate-denial or lobbying activities against climate regulations.

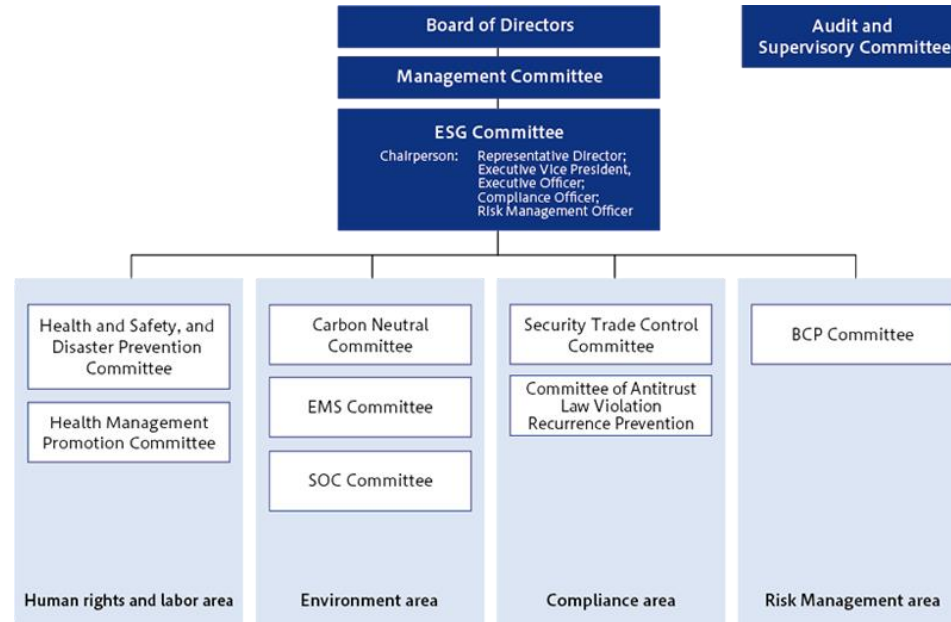
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Sustainability Promotion System

Through the “ESG Committee”, MITSUBA Group confirms priority issues related to sustainability, and promotes and controls appropriate operations. We also confirm and improve the status of MITSUBA Group’s compliance with laws and social norms. Furthermore, we analyze and evaluate possible losses and crises in MITSUBA Group and implement control for responses. We have set up committees for problem solving in each area, which have experts working in each field.





Sustainability at the MITSUBA Group

012 Corporate Philosophy

013 Codes of Practice

016 MITSUBA VISION 2030

017 Medium-term Management Plan

018 Responding to the Evolution of Mobility

022 Enhancement of Sustainability

024 [Sustainability Promotion System](#)

MITSUBA



Sustainability Promotion System

ESG Committee

The MITSUBA Group holds an ESG committee chaired by the Representative Director and Executive Vice President four times a year. MITSUBA Group sets social issues that the MITSUBA Group should particularly focus on solving priority issues, clarifying its goals, and monitoring its progress. The members of the committee include Executive Officers in charge of Finance, Executive Officers in charge of Production, and those in charge of sustainability-related departments. Directors who are members of the Audit and Supervisory Committee and the Head of the Internal Auditing Department also participate as observers. Furthermore, we have established a system in which matters related to sustainability information disclosure, which were discussed at the ESG committee, are tabled at the Management Committee, and is also reported to the Board of Directors.



At the ESG committee, the following are discussed:

- MITSUBA Group's policy decision, progress confirmation, and improvement instructions regarding common sustainability issues
- Policy decisions, progress confirmation, and improvement instructions regarding priority issues for subordinate committees or supervising departments in each sustainability area of the MITSUBA Group



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Sustainability Promotion System

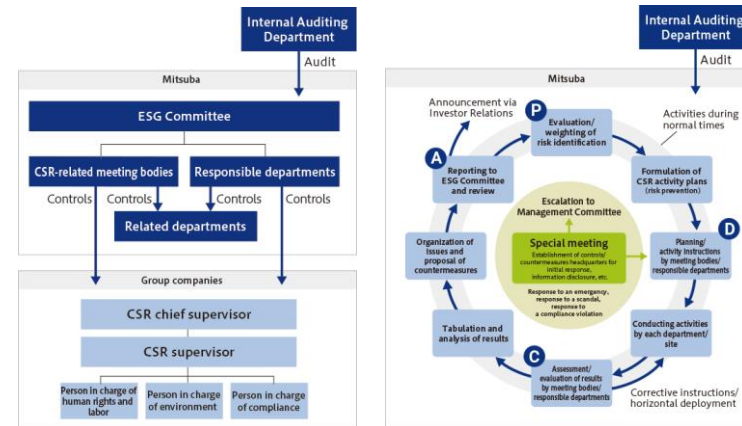
ESG Committee

● Activities in FY2023 (Main Agenda)

<p>May 2023</p> <p>August 2023</p>	<p>1st session in 2023</p> <ul style="list-style-type: none"> - Discussion of sustainability promotion plans - Report on EMS audit results to the domestic Group companies, etc. <p>2nd session in 2023</p> <ul style="list-style-type: none"> - Progress report on soil contamination countermeasures - Proposal for proactive information disclosure system, etc. 	<p>November 2023</p> <p>February 2024</p>	<p>3rd session in 2023</p> <ul style="list-style-type: none"> - Report on development of CSR survey to suppliers - Discussion of information disclosure in line with TCFD recommendations, etc. <p>4th session in 2023</p> <ul style="list-style-type: none"> - Report on completion of phthalic acid switchover - Report on self-evaluation development to domestic and overseas Group companies, etc.
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Sustainability Promotion Framework

Each MITSUBA Group company has a framework in place to achieve its sustainability policy. Group companies formulate action plans to achieve the decisions of the “ESG Committee,” to achieve MITSUBA Group goals, and to solve problems unique to each Group company. The Group companies also evaluate and provide feedback on the status of achievement.





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Sustainability Promotion System

Effectiveness Evaluation of Management System

At MITSUBA, a check sheet is used to periodically (once a year) evaluate the effectiveness of our sustainability activities. Additionally, our sustainability management system is evaluated by a third-party organization periodically (once a year), and we strive to maintain the system by incorporating any issues that emerge into our plans for the following fiscal year. The evaluation results and improvement plans are reported and discussed at the ESG Committee. Furthermore, based on Group standards related to sustainability, MITSUBA conduct self-evaluation periodically (once a year) of each Group company using a check sheet. The check sheet questions are based on sustainability items and issues that are relevant to the MITSUBA Group's corporate activities, and should be taken into consideration and periodically reviewed. Based on the results of the self-evaluation, interviews will be conducted with each Group company that are deemed to have a high priority to confirm the current situation and to propose improvements.

We will continue to strive to reduce risks by conducting continuous monitoring and proposing improvements.



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SCM: Supply Chain Management

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SCM: Supply Chain Management

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Procurement Policy

In the procurement of raw materials and parts, MITSUBA has established three procurement policies: “Promotion of improvements in consolidated material costs and establishment of global governance of a procurement function,” “Strengthening of sustainable procurement and risk management,” and “Maximization of procurement power based on global ordering policy.” We implement measures in the procurement area in conjunction with our Medium-term Management Policy.

Procurement Function Policy	Medium-term Management Plan (2023-2027)		
	I: Responding to the Evolution of Mobility	II: Strengthening of Management Foundation	III: Improvement of Financial Strength
1. Promotion of improvements in consolidated material costs and establishment of global governance of a procurement function	1. Achievement of planned costs for new materials and achieve new local procurement targets	1. Establishment a global governance system	1. Improvement of consolidated material costs 2. Formulation and development of global ordering policy
2. Strengthening of sustainable procurement and risk management	2. Establishment of an SCM that responds to external environment changes	1. Implementation of procurement expectations out of internal reform	
3. Maximization of procurement power based on global ordering policy		1. Development of Human Resources through global business standardization	



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Sustainability Activities Throughout the Supply Chain

MITSUBA Group CSR Procurement Policy

MITSUBA Group has established the “MITSUBA Group CSR Procurement Policy” with the aim of fulfilling its social responsibility throughout the supply chain. Based on our corporate philosophy, we engage in procurement activities that emphasize five areas: “Safety and quality,” “Human rights and labor,” “Environment,” “Compliance,” and “Risk management.”

Moreover, our basic transaction contract also reflects our cooperation in sustainability activities.

1. Safety and quality

- Offer of product and service which satisfies needs from customer
- Offer of suitable information about product
- Safety ensuring of product
- Quality assurance of product

2. Human rights and labor

- Abolition of discrimination
- Respect of human rights
- Prohibition of child labor
- Prohibition of forced labor
- Wage
- Working hours (including overtime)
- Offer of safe and healthy working environment
- Conflict minerals

3. Environment

- Environmental management
- Environmental pollution prevention
- Resource saving and waste reduction
- Chemical substances management

4. Compliance

- Compliance with laws and regulations (*)
- Prohibition of unjust giving and receiving of money
- Management and protection of classified information
- Management of export transactions
- Protection of intellectual property
- Creation of a law-abiding spirit

5. Risk management (Crisis management system)

- Building of risk management system and reduction of risk
- Decision and improvement of Business Continuity Plan

(*) Compliance with laws and regulations:

Includes laws and regulations regarding the environment (air, soil, etc.), human rights and labor standards (including freedom of association), and compliance (including conflicts of interest).



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Sustainability Activities Throughout the Supply Chain

Green Procurement

Based on our corporate philosophy, MITSUBA Group has established the “MITSUBA Group Green Procurement Guideline” (*) and strives to procure materials and parts that have low environmental impact. Moreover, we work with our suppliers to reduce environmental burdens based on life cycle which consists of procurement, including production, use, and discharge.

MITSUBA Group requires its suppliers to take the following three measures:

1. Establishment of Environmental Management System
2. Investigation and management of Substance of Concern
3. Declaration of conformity for procured parts

(*) MITSUBA Group Green Procurement Guideline 

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Partnership with Suppliers

Procurement Policy Meeting

MITSUBA holds a “Procurement Policy Meeting” for major suppliers at the beginning of each fiscal year. At the meeting, we ask participants to deepen their understanding of MITSUBA’s management policy, business policy, production function policy, quality function policy, and procurement function policy, as well as to explain carbon neutrality and request that we strengthen our efforts based on the CSR procurement policy. This meeting serves as an important opportunity for information sharing to implement CSR activities that are in step with the entire supply chain.

Initiatives Toward Carbon Neutrality

MITSUBA held its first “Carbon Neutrality Plant Visit” in December 2023 to support the CO₂ emissions reduction activities of our suppliers. A total of 18 people from 10 suppliers participated, and the Niisato Plant's carbon neutral initiatives were introduced on-site. One of our suppliers commented, “I realized that ‘Karakuri’ can lead to carbon neutral activities.”



Procurement Policy Meeting



Plant visit



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Partnership with Suppliers

Declaration of Partnership Building

MITSUBA submitted and announced a “Declaration of Partnership Building (*)” to small-sized and medium-sized enterprises in March 2022. Moreover, three new declarations were added in May 2024: “We will consult with subcontractors at least once a year,” “We will determine the transaction cost after taking appropriate actions as stated in the guidelines for labor cost,” and “We will aim to pass on the full amount of the appropriate increase in cost in case of increase in raw material or energy cost.”

(*) Declaration of Partnership Building 



Promotion of Fair Procurement Activities

Reporting and Consultation Desk Regarding the Violations of Laws and Regulations

MITSUBA has established a reporting and consultation desk for suppliers in the event that MITSUBA Group executives, employees, etc. violate the Subcontract Law or related laws and regulations.



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Promotion of Fair Procurement Activities

Education and Awareness Activities

In order to conduct fair procurement activities, MITSUBA conducts education and training in the “Procurement Basic Course” for personnel newly assigned to the Procurement Department. Through this, the knowledge of “Ethics required of buyers” and “CSR related to procurement activities” has been acquired.

Moreover, e-learning courses are provided for MITSUBA Group employees on “Sustainability and regulations on environmentally hazardous substances,” “Subcontract law,” “Competition law,” and “Security trade” to deepen their understanding of sustainability activities and legal compliance.

Furthermore, MITSUBA Group distributes a booklet of “How We Should Act” to all employees of MITSUBA Group, and the Procurement Department is always conscious of fair and wholesome transactions.

Promoting Responsible Procurement

Based on the “MITSUBA Group CSR Procurement Policy,” MITSUBA Group will request from the supplier to do “Initiatives not to use raw materials or products derived from conflict minerals (tin, tantalum, tungsten, gold)” in order to act responsibly for human rights issues.

Moreover, since 2013, we have been conducting surveys on conflict minerals since 2013 and have received responses from all surveyed suppliers regarding their usage condition. Furthermore, as part of our due diligence measures on conflict minerals, we require our suppliers to use smelters certified by the Responsible Minerals Initiative (RMI). If our suppliers are using a non-certified smelter, we will require them to submit a plan for switching to a certified smelter and take actions based on that plan.



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Conducting Self-evaluation

MITSUBA Group sets and operates the evaluation criteria for new suppliers in the “Group Procurement Management Regulations.” We use a Group-wide evaluation sheet to determine acceptance or rejection based on globally common criteria. We also evaluate sustainability aspects by including items such as environmental management system acquisition status in our criteria.

Moreover, MITSUBA plans to conduct self-evaluation of its suppliers using a questionnaire in order to continuously understand and evaluate the status of their efforts based on the “MITSUBA Group CSR Procurement Policy”. As a result, we will conduct interviews if necessary. For any risks identified in the self-evaluation or interviews, we will request suppliers to make improvements and, if necessary, provide support for the improvements.

INTERVIEW

I am in charge of sustainability activities with our suppliers. In FY2023, we conducted a survey to begin understanding the status of our suppliers’ sustainability activities. To ensure that the companies understood the need for these activities, we made every effort to engage them by speaking to them over phone, in which we received responses from all 96 targeted companies. In the future, we will continue to work together with our suppliers to reduce procurement risks from a sustainability perspective. Currently, these activities are handled by a small number of members of the Purchasing Department, but in the future, we would like to shift towards having the entire department involved in these activities. To achieve this, it is first important for the members of the department to understand the significance of sustainability, and we would like to focus on educating them about this.



Akimasa Tsunoda
 MITSUBA Corporation
 Purchasing Planning Department
 Purchasing Planning Section 1



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Environmental Policy

MITSUBA Environmental Declaration

MITSUBA Group established and set forth the “MITSUBA Environmental Declaration” in May 1993 as the policy in its environment area, which is one aspect of sustainability. MITSUBA is working on environmental activities globally in order to achieve the goals stated in the declaration.

We will work to achieve a continuous harmonization with our natural environment by means of technical developments harmonized with the society and the environment. We will work to realize a safe and plentiful environment for us all.

*** We strive to conserve resources and energy in all of our corporate activities including development, production, and sales.**

*** We strive to reduce waste and pollutants, and to dispose of these properly.**

*** We strive to keep a safe living environment in harmony with local environments.**

MITSUBA Environment Action Guideline

	Action Guideline	2030 Goals
1	We will aim to achieve carbon neutrality from a life cycle perspective to contribute to the realization of a carbon neutral society.	Scope 1 and 2: 50% reduction
2	We will strive to conserve and effectively use resources such as metals and plastics to contribute to the promotion of a recycling-oriented society.	Recycling rate: 90% or higher
3	We will strive to use water efficiently and improve the quality of wastewater to protect our abundant water resources.	Water intake: 1,376 ML or lower
4	We will strive to properly manage chemical substances and eliminate the use of hazardous chemicals, including those used in our products.	Zero violations of laws and regulations
5	We will establish an environmental management system and strive to comply with environmental laws and regulations.	Zero violations of laws and regulations
6	We will contribute to the conservation of biodiversity through the above guidelines, and we will also actively participate in environmental volunteer activities.	Activities implementation rate: 100%
7	We will work with our suppliers to protect the global environment throughout the supply chain.	Supplier participation rate: 100%



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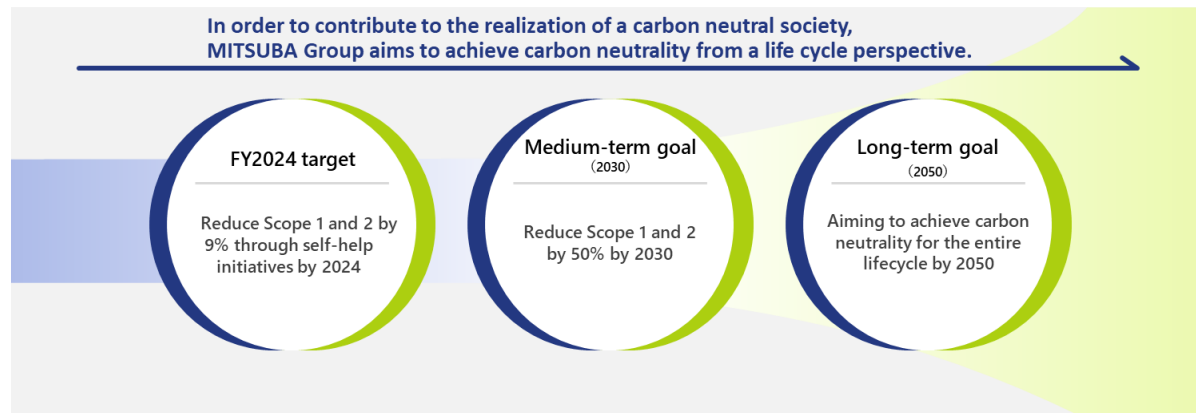
Environmental Policy

MITSUBA Environmental Vision 2046

MITSUBA Group established the “MITSUBA Environmental Vision 2046” in May 2017 as a unified long-term goal for the entire Group. This vision is a long-term goal to “realize a safe and plentiful environment” as stated in the “Environmental Declaration.” We have set 2046, which is the 100th anniversary of MITSUBA’s founding, as the target year for “improving corporate value” through reduction of CO₂ emissions and resource consumption, and for “protecting the natural environment” by seeking zero environmental pollution risk.

MITSUBA Group Carbon Neutral Policy

MITSUBA Group has further developed the reduction of CO₂ emissions in the “MITSUBA Environmental Vision 2046” and established the “MITSUBA Carbon Neutral Policy” in June 2022.



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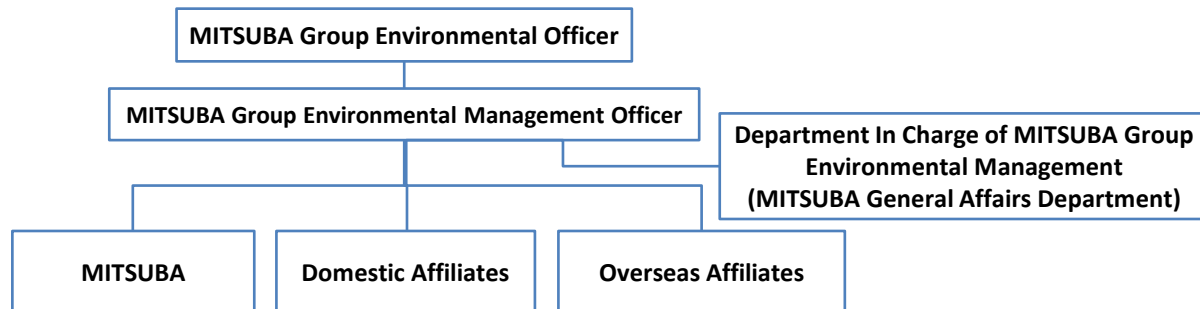
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Environmental Management

Promotion System

The MITSUBA Group is committed to environmental conservation activities based on the MITSUBA Environmental Declaration. We have established and are promoting an environmental management system for the entire Group in accordance with the “MITSUBA Group Environmental Manual.” Each Group company reports on the results of its environmental management activities twice a year to the MITSUBA Head Office. In order to evaluate the effectiveness of the results, the MITSUBA Head Office periodically conducts “Environmental Visit Audits” to confirm the effectiveness and appropriateness of our environmental management system.

<Organization Chart of MITSUBA Group Environmental Management>





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Environmental Management

EMS Committee

MITSUBA holds the “EMS committee,” which includes domestic Group companies, three times a year to consider environmental issues, share information for environmental compliance, and share performance information, which helps reduce environmental risks. The effectiveness and appropriateness of our initiatives are verified through an annual review conducted by the Representative Director (Executive Vice President), who serves as the Chief Environmental Officer. Decisions on matters that have a significant impact on management are made at the higher-level meeting body, the “ESG Committee.”

Acquisition ISO 14001 Certification

MITSUBA Group has established an environmental management system in accordance with ISO 14001:2015, covering its major affiliated companies. As of the end of March 2024, a total of 25 MITSUBA Group companies (7 domestic and 18 overseas) and 55 business sites (86% of business sites), mainly consisting of production sites, have acquired ISO 14001 certification.

We have published the MITSUBA Group Green Procurement Guideline (*) to our suppliers, and are encouraging them to acquire certification such as ISO 14001 and other certifications, as we work to preserve the environment throughout our supply chain.

(*) MITSUBA Group Green Procurement Guideline



Environment

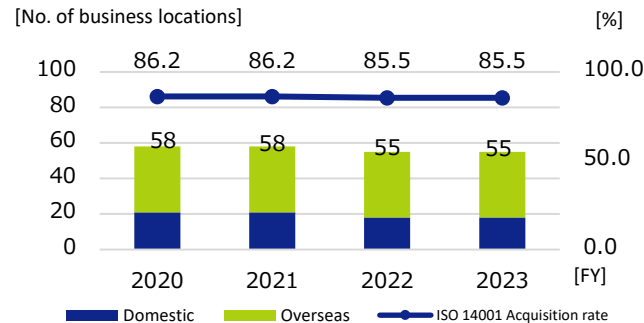
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Environmental Management

Acquisition ISO 14001 Certification

No. and rate of acquisition of ISO 14001 certification



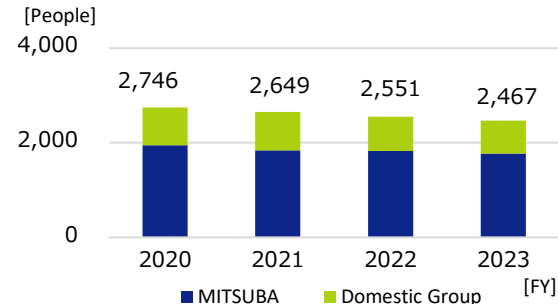
Environmental Education

Restoring a polluted natural environment to a healthy condition takes a lot of time and money. For this reason, we are conducting basic education through e-learning for all MITSUBA Group employees in Japan so that they can develop a sense of ownership in environmental conservation. Moreover, we are working to comply with laws and regulations and prevent risks through implementing rank-based education and business locations / workplace-specific environmental education.



ISO 14001 External Audit

Environmental e-learning participants





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Environmental Management

Environmental Audit

MITSUBA conducts an internal environment audit every year at all business locations to confirm the compliance with laws and regulations and that the PDCA cycle of the environmental management system is functioning properly and effectively. For audits, we set priority audit items in consideration of past audit results and changes in environmental issues, such as environmental risks. Moreover, we regularly hold training sessions for internal environmental auditors to acquire in-house qualifications, as well as brush-up training for qualified personnel.



Internal Environmental Audit

INTERVIEW

I am in charge of operating the environment management system. My responsibilities include conducting external and internal environmental audits, responding to legal changes, revising environmental documents, and sharing environmental information through the EMS Committee. In my daily work, I frequently support the Environmental Personnel at each plant, as well as at both domestic and overseas Group companies. I believe that environmental initiatives cannot progress without the understanding and cooperation of the relevant departments. Therefore, I continuously seek ways to enhance the EMS and its productivity. Moving forward, we will remain committed to challenging the status quo and will work to identify systems that efficiently manage environmental risks and compliance in accordance with ISO 14001 requirements. Our goal is to enhance our EMS through effective internal communication.



Chie Sugai
MITSUBA Corporation
General Affairs Department,
Legal & CSR Section

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Environmental Management

Environmental Initiatives of Overseas Group Companies

To comply with Chinese environmental protection regulations, MITSUBA Electric (Dalian) installed two exhaust gas treatment equipment at its first and third plants in 2022. This initiative aims to reduce volatile organic compound (VOC) emissions, keeping atmospheric emissions below 1 ton per year. Burning the exhaust gas at high temperatures after filtering out VOC substances consumes a significant amount of electric power. However, by optimizing the equipment's programming, we can reduce both the operating time and electric power consumption while ensuring safety and compliance with environmental laws and regulations.

Moreover, at the First Plant, domestic wastewater is treated using AO activated sludge, coagulation and sedimentation, and sand filtration processes. In 2023, we refined the dosage of chemicals and the timing of their administration to enhance the purification process. We conduct daily monitoring to ensure optimal wastewater treatment management while adhering to wastewater treatment standards.



VOC Treatment Equipment



Wastewater Treatment Management Room



Training for Response to Chemical Spill

INTERVIEW

As the person in charge of the Environmental Safety Section, I oversee the establishment and operation of the Environmental Management System (EMS). My responsibilities include formulating environmental targets and management plans, promoting improvement initiatives, and tracking their progress. We strive to comply with laws and regulations by staying updated on the latest environmental requirements from national, provincial, and local governments, and promptly sharing this information within the company. In FY2023, our primary initiatives includes implementing a power reduction plan, conducting a continuation review for ISO 14001 certification, providing in-house environmental education, conducting emergency response training, and organizing cleaning activities around the company. All employees collaborate to raise environmental awareness and drive continuous improvements.



Xu Deqing
 MITSUBA Electric (Dalian) Co., Ltd.
 Environmental Safety Section



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Environmental Management

Environmental Target and Result

MITSUBA Group has incorporated the identified materiality (priority issues) into the “Environmental Function Policy” in its Medium-term Management Plan, and is working to reduce CO₂ emissions and strengthen the environmental management system. Group CO₂ emissions were significantly reduced by 10% compared to FY2018 by actively promoting the activities of the Carbon Neutrality Committee.

Environmental Function Policy: “Promotion of ESG that Meets the Expectations of Stakeholders”

Key Initiatives	FY2023			FY2024 Goal
	Goal	Actual	Evaluation	
To reduce CO ₂ emissions	Group-wide CO ₂ emissions: Compared to FY2018			
	Planning and promotion of measures to reduce emissions by 6.0%	Completed planning for 9.5% reduction (Actual reduction rate: 10.0%)	○	Planning and promotion of measures to reduce emissions by 9.0%
To save sustainable resource	Group waste recycling rate: 90% or higher	96.4%	○	90% or higher
	Group-wide water consumption: 1,395 ML or less	1,247 ML	○	1,376 ML or less
To prevent air pollution	Plating facility exhaust gas concentration:			
	Hydrogen chloride: 80 mg / m ³ N or less Chlorine: 30 mg / m ³ N or less	Undetected	○	Hydrogen chloride: 80 mg / m ³ N or less Chlorine: 30 mg / m ³ N or less
To reduce risk by operating EMS	Zero serious violations	No serious environmental pollution, accidents, or violation of laws	○	Zero serious violations
	Zero serious violations	No serious violations of laws	○	Zero serious violations
To comply to the restrictions on Substance of Concern (SOC)	Evaluation of management system according to industry standards: 3.5 points or higher	3.2 points	△	3.5 points or higher
	Implementation rate of environmental volunteer activities: 100%	100%	○	100%

Evaluation criteria (○: 100%, △: 80% or higher, lower than 100%)

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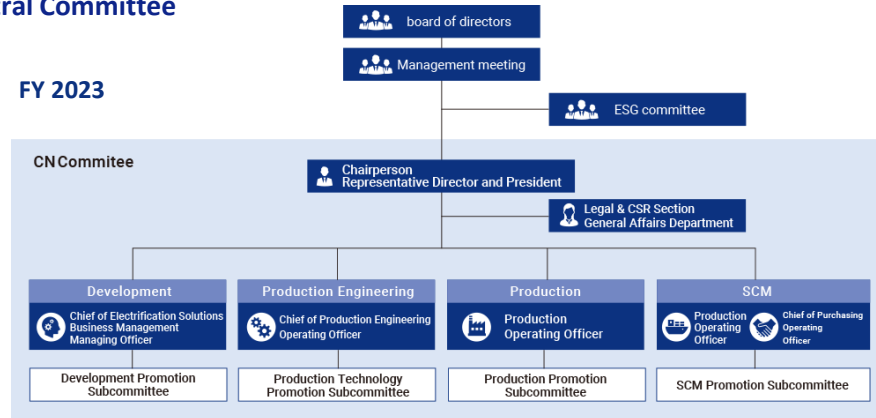


Response to Climate Change

Contributing to the Realization of Carbon Neutrality

MITSUBA Group has steadily reduced CO₂ emissions within the Group until today. However, in order to contribute to the realization of carbon neutrality, it is necessary to work on assessing and reducing CO₂ emissions that are directly and indirectly emitted through business activities. The reduction must be made from the perspective of the product life cycle and implemented throughout the entire supply chain. In FY2021, we established the “Carbon Neutral Committee” with our president serving as the chairperson. Immediately under this committee, we have established promotion committees that are divided into the areas of Development, Production Engineering, Production, and Supply Chain Management. The committee is taking on the challenge of expanding from conventional CO₂ reduction within our Group to realizing reduction throughout the entire supply chain. This includes all stages from materials procuring to the usage of products as well as shipping of products and parts.

Carbon Neutral Committee





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Response to Climate Change

Information Disclosure Based on TCFD Recommendations

MITSUBA Group disclosed information regarding climate change in November 2023 based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD*1).

In order for MITSUBA Group to develop sustainably into the future, we believe that it is necessary to further promote management that incorporates a climate change perspective. Therefore, we established a TCFD Response Team under the ESG Committee, analyzed the risks and opportunities related to climate change, and disclosed information on a four-item framework consisting of “Governance,” “Strategy,” “Risk Management,” and “Indicators and targets.”

Furthermore, we have declared our support for the TCFD recommendations and joined the TCFD Consortium (*2).

Moving forward, the MITSUBA Group will remain aware of its business environment, deepen its analysis of risks and opportunities, and incorporate these insights into its management strategies to further promote measures towards achieving a carbon-neutral society.

*1: TCFD refers to the Task Force on Climate-related Financial Disclosures, which was established by the Financial Stability Board at the request of the G20. The TCFD published its final report in June 2017, encouraging companies to disclose information about climate change-related risks and opportunities. The International Sustainability Standards Board (ISSB) is currently establishing international standards for sustainability information disclosure, incorporating the TCFD framework.

*2: The consortium was formed on May 27, 2019, to serve as a platform for discussing effective corporate information disclosure and linking this disclosed information to appropriate investment decisions by financial institutions and other organizations. The Ministry of Economy, Trade and Industry, the Financial Services Agency, and the Ministry of the Environment participate as observers.



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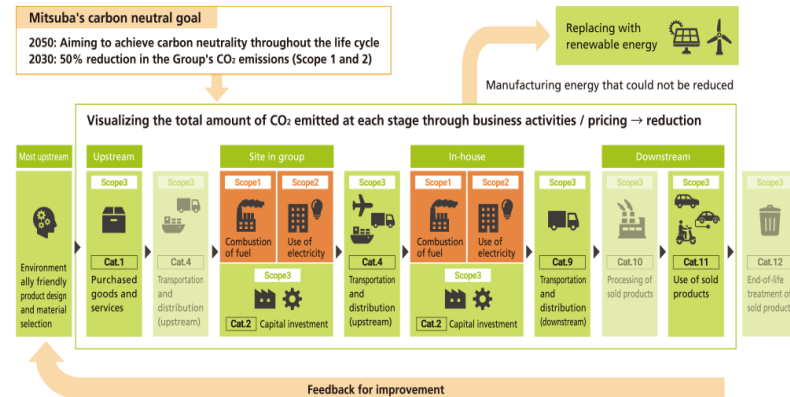
Response to Climate Change

Understanding and Reducing CO₂ Emissions from a Lifecycle Perspective

In order to achieve carbon neutrality, it is necessary to reduce CO₂ emissions throughout the entire supply chain by expanding the scope of initiatives from materials procuring to transportation of products and parts, as well as the usage and disposal of products. Moreover, the visualization of CO₂ emissions per product and the provision of this information to the most upstream (development function) can be expected to lead to further improvements in environment-conscious design and material selection.

Carbon-neutral Awareness

Achieving the “MITSUBA Group Carbon Neutral Policy” requires the cooperation of all employees within the Group. We are also striving to raise awareness by creating a dedicated in-house homepage, creating educational videos, and regularly distributing “Carbon-neutral Topics,” which summarizes information on external trends and initiatives within the Group.



Carbon Neutral Topics

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Response to Climate Change

Initiatives to Reduce Greenhouse Gas (CO₂) Emissions

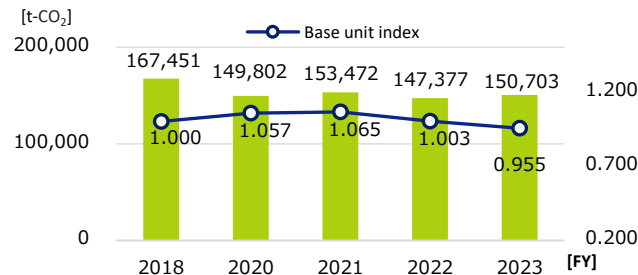
Toward the goal of reducing Scope 1 and 2 (Group CO₂ emissions) by 50% in 2030 compared to FY2018, we are developing a reduction plan and roadmap, taking on the challenge of realizing highly efficient production and advancing our production capabilities, and introducing renewable energy.

In FY2023, we were able to reduce CO₂ emissions and suppress soaring energy costs by steadily implementing measures equivalent to 9.5% of the 6% annual reduction target. We are also actively promoting the use of renewable energy. At the Akagi Plant, an on-site PPA model solar power generation system began operation in January 2024, bringing the total annual power generation by the MITSUBA Group's solar power generation system to 2,840 MWh. We will continue to promote the use of renewable energy suitable for each region.



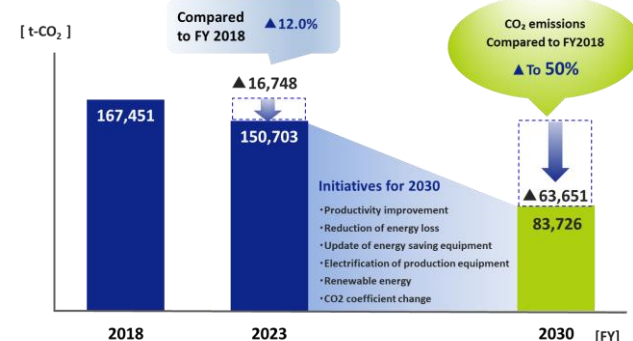
Akagi Plant Solar Power Generation System

MITSUBA Group CO₂ Emissions



- The base unit index is the index when CO₂ emissions per net sales in FY2018 are 1.
- The CO₂ emissions for electric power are calculated using CO₂ emission coefficient for each electric power company or country-specific coefficient of IEA.
- CO₂ emissions from fuel oil and gas are calculated using GHG protocol coefficients.

MITSUBA Group CO₂ Emission Reduction Plan



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Response to Climate Change

Initiatives for Specific Reduction

As part of its carbon-neutral initiatives, the Fukushima Plant is identifying issues from the six key perspectives: “Fix, Stop, Halt, Lower, Pick up, and Return” and working to make improvements.

From a “Pick up” perspective, we are considering how to effectively utilize exhaust heat in conjunction with relocating the compressor room to reduce the air conditioning load, which is at its highest in winter. By reducing electricity consumption and kerosene consumption for heating, we have achieved an annual reduction of 118.1 t-CO₂ and improved the working environment for employees.



Efficient use of compressor exhaust heat

INTERVIEW

In the Manufacturing Engineering Section, I am in charge of the maintenance of compressors and buildings, and ensure the security of electrical equipment. As a member of the Carbon-neutral (CN) Production Promotion Committee, I am committed to promoting the efficient use of energy while ensuring quality, safety, and a positive working environment. Employee awareness is crucial for the success of CN activities. If air is leaking from the equipment, improvement will not happen unless there is an understanding that “air leakage” equals “loss.” We aim to revitalize the entire plant by visualizing energy usage and proactively sharing information during general assembly meetings and environmental committee meetings.



Masaki Sakamoto
 MITSUBA Corporation
 Fukushima Plant
 Manufacturing Engineering Section



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Response to Climate Change

Initiatives for Specific Reduction

At the Loteco Plant of MITSUBA Vietnam, various improvement activities were implemented, including downsizing the injection molding machine, reducing the air pressure supplied to the resin dryer, and reducing the number of trial shots for resin.

In our injection molding workplace, we utilize low-pressure molding technology and carefully determine molding conditions based on the product area and material fluidity. As a result, we successfully utilized the existing 50-ton equipment, avoiding the need to install a new 110-ton injection molding machine. This led to a reduction of 63.6t-CO₂ per year and minimized capital investment costs.



Injection molding machine using low pressure molding technology

INTERVIEW

As the person in charge of the injection molding workplace at the Loteco plant, I oversee the practical management of production activities, ensuring quality, cost efficiency, timely delivery, safety, and environmental compliance. With over 50 injection molding machines in operation, our workplace consumes significant resources and energy. Therefore, we are promoting improvement activities focused on increasing productivity and reducing CO₂ emissions. We gather energy-saving examples from both within and outside our Group, integrating our own ideas to create an energy-efficient molding workplace. With the motto “All improvements lead to eco-friendliness,” we are raising each employee’s awareness of reducing CO₂ emissions.



Thia-Nguyen
MITSUBA Vietnam Co., Ltd.
Loteco Plant
Manufacturing Section 2

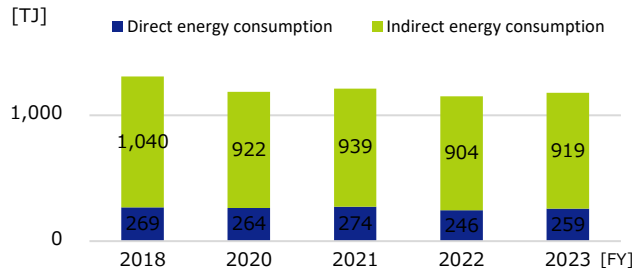
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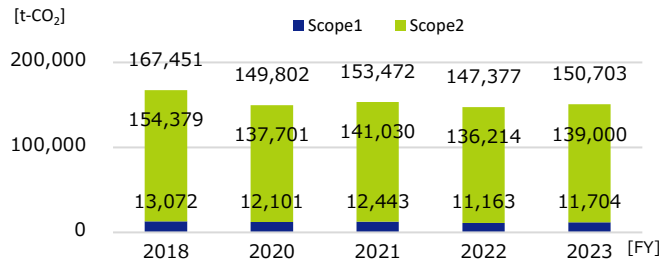
Response to Climate Change

MITSUBA Group direct and indirect energy consumption



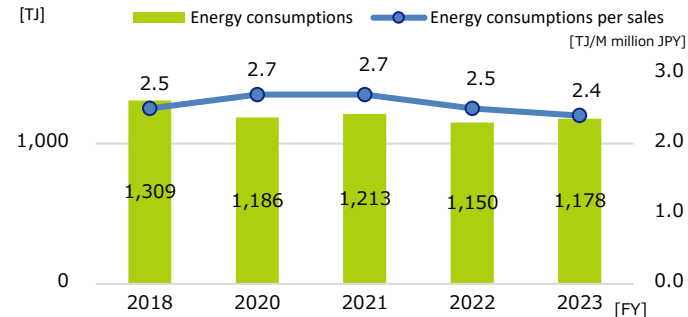
- Direct: Direct sources of greenhouse gas emissions (use of fuels and gases)
- Indirect: Indirect sources of greenhouse gas emissions (use of purchased electricity)

MITSUBA Group greenhouse gas emission (Scope 1 and 2)



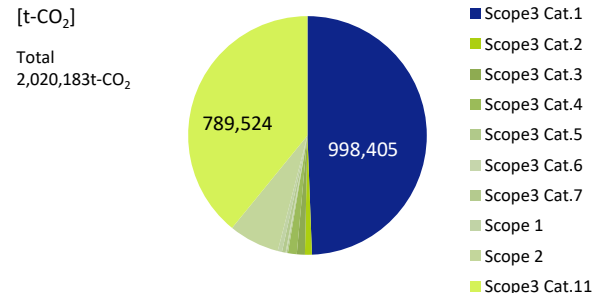
- Scope 1: Direct emissions of greenhouse gases (combustion of fuel) by MITSUBA Group itself. Calculated using GHG Protocol emission factors.
- Scope 2: Indirect emissions associated with the use of electricity supplied by other companies. Calculated using CO₂ emission coefficient for each electric power company or country-specific coefficient of IEA.

MITSUBA Group energy consumption per sales



- Direct and indirect energy consumption per MITSUBA Group sales

MITSUBA Group greenhouse gas emission (Scope 1, 2, and 3)



- Calculated using the basic guidelines for calculation of greenhouse gas emissions throughout the supply chain, the GHG Protocol, and the Japan Auto Parts Industries Association LCI Tool.

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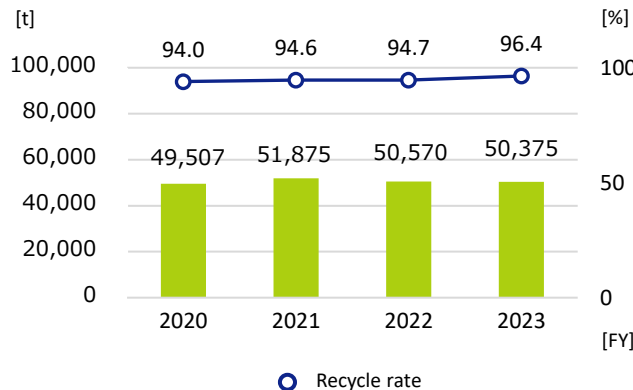


Response Recycling

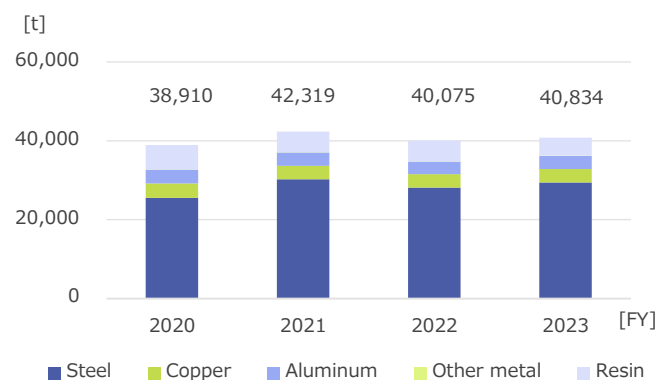
Initiatives to Conserve Resources and Reduce Waste

In accordance with the MITSUBA Environmental Declaration, MITSUBA Group is promoting the formation of a recycling-oriented society and the effective use of limited resources. We recycle and properly dispose of waste generated from all business activities, and promote technological development such as improving the efficiency of raw materials and downsizing of production equipment to make effective use of resources. In the resin molding process, we aim to reduce the amount of runner waste to zero by 2040. We are also actively promoting the reduction and recycling of industrial waste from plastic products by systematically improving processing on a global scale. Furthermore, in order to promote recycling of plastic resources, we are currently reviewing and examining the contractors for waste plastic processing for material recycling.

MITSUBA Group Total Emission Amount and Recycling Rate



MITSUBA Resource Consumption



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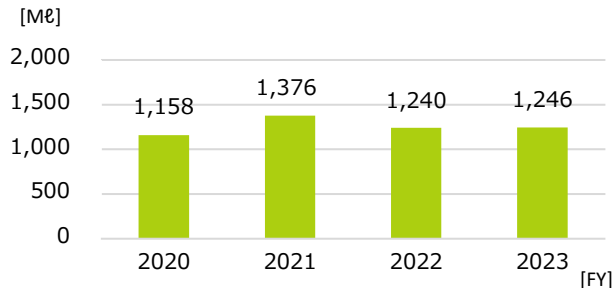
Response Recycling

Initiatives to Reduce Water Consumption and Improve Wastewater Quality

MITSUBA Group periodically monitors the pollution status of water discharged from our business activities. The water which we use in our production processes is purified in an advanced wastewater treatment facility and then discharged into rivers. For wastewater that cannot be purified at wastewater treatment facilities, we strive to protect the marine environment by properly disposing of that wastewater as industrial waste.

In order to accommodate the expansion of its production facilities in 2018, Higashinohon Diecasting Industry Co., Ltd. has installed additional UF membrane treatment equipment and biological treatment equipment to its existing wastewater treatment facilities, thereby providing more stable decontamination treatment than ever before. Moreover, at our sites in Asia, which have a large water-related impact, we are actively working to effectively utilize water resources and reduce consumption by collecting rainwater. MITSUBA India Pvt. Ltd. has introduced a recycling-oriented wastewater treatment system to reuse wastewater from the surface treatment process, making effective use of limited water resources.

MITSUBA Group Water Resource Consumption



Higashi Nihon Die Casting Industry Co., Ltd. wastewater treatment equipment



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Environmental Risk Reduction

Environmental Governance

MITSUBA also confirms the status of compliance with environmental laws and regulations at overseas Group companies by visiting and directly checking the sites to understand the daily operation and provide guidance. Moreover, in order to prevent violations of the law, we directly check and provide guidance on regulations, work processes, equipment, and facilities related to the labeling, storage, handling, and transportation of hazardous materials, as well as the proper disposal of waste.

Air Pollution Control

In order to reduce dust and emission of chemical substances, etc. into the atmosphere from the plant, dust collectors, and scrubbers are installed. Mist collectors are installed in processes where oil mist is generated to collect the mist.

Moreover, chlorine and hydrogen chloride emitted from the plating facilities at the Niisato Plant are removed using scrubbers. We measure exhaust gas emissions at least twice a year, and have never detected any emissions, confirming that there are no problems.

Furthermore, by changing the energy source for air conditioning from kerosene to electricity, we are promoting the reduction of emissions of nitrogen oxides, sulfur oxides, and other air pollutants.

With regard to chemical substances emitted from our domestic business sites, we monitor the emissions and transfer of substances designated under the PRTR Act (*1) (PRTR (*2) system) and VOC (*3) as we continuously work on finding alternatives to these chemical substances to reduce emissions into the atmosphere.

*1 PRTR Act: It is the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof

*2 PRTR: Abbreviation for Pollutant Release and Transfer Register. This system requires business operators to determine the amount of chemical substances that may be harmful to human health or the ecosystem that are released into the environment and transferred outside their business premises as part of waste, and report this to governmental authorities, who then compile and publish the amount of emissions and transfers based on estimates made using reports from business operators and statistical data.

*3 VOC: Abbreviation for Volatile Organic Compounds



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Environmental Risk Reduction

Prevention of Fluorocarbons Leakage

Initiatives such as simple and regular inspections are implemented to prevent fluorocarbon leaks. Moreover, estimated leakage has been consistently ensured to remain below 1,000 t-CO² annually.

Water Pollution Control

In order to control polluted water from flowing out of the plant, wastewater treatment equipment and oil-water separation tanks have been installed, and in addition to thorough daily management, measurements are taken once a month to twice a year for continuous monitoring. Moreover, on-site trainings are conducted once a year in accordance with our response procedures when accidental outflow occurs.

Response to Noise

Regarding noise, measures are taken to reduce noise, such as installing soundproof walls in some areas, and noise is measured twice a year and monitored continuously at the site boundary.

Conservation of Soil and Groundwater

MITSUBA R&D Center, where the soil contamination due to hexavalent chromium was found, has been reported to the government and initiatives are being made to take appropriate measures. Hexavalent chromium and cyanide concentrations in groundwater are measured once a year, but they have not been detected since 2018.

Moreover, at the Tomioka Plant, where the soil and groundwater contamination due to tetrachloroethylene was found, measures are taken voluntarily to prevent the spread of the contaminant after consulting with the government. The concentrations of tetrachloroethylene and its decomposition products in groundwater are measured quarterly, ensuring that these substances do not disperse beyond the site.

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Environmental Risk Reduction

Recurrence Prevention in the Event of Environmental Non-compliance

MITSUBA Group promptly reports to the Chief Environmental Officer (MITSUBA Head Office) in the event of an environmental non-compliance, and after taking emergency measures at the office where it occurred, the cause is investigated, and corrective measures are implemented. The Chief Environmental Officer evaluates the effectiveness of the implemented corrective measures and instructs other group companies to horizontally implement corrective measures.

In FY2023, there were no major violations of environmental laws regarding the MITSUBA Group. There was one oil spill incident when a cart used to transport waste oil tipped over, but the amount of oil spilled was small and did not spill into soil or public water bodies. Measures to prevent recurrence have been completed.

No. of serious violations of environmental laws and regulations
[Item]

	2020	2021	2022	2023
Domestic	0	0	0	0
Overseas	0	0	0	0

[FY]

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Management of Substance of Concern (SOC)

Due to the recent growing interest in environmental issues, regulations on hazardous chemical substances are becoming stricter around the world every year, such as restrictions on the use of perfluoroalkyl and polyfluoroalkyl (PFAS), which are used in many everyday products.

The MITSUBA Group, in its MITSUBA Environmental Declaration, states that it will “strive to reduce and properly dispose of pollutants,” and is actively working to properly manage chemical substances and abolish the use of hazardous chemicals, including their use in products to comply with stricter laws and regulations of each country and region, such as POPs Convention (*1), European ELV Directive (*2), European REACH Regulation (*3), and American TSCA Regulation (*4).

(*1) POPs Convention: Stipulates the elimination and restriction of the production and use of Persistent Organic Pollutants (POPs)

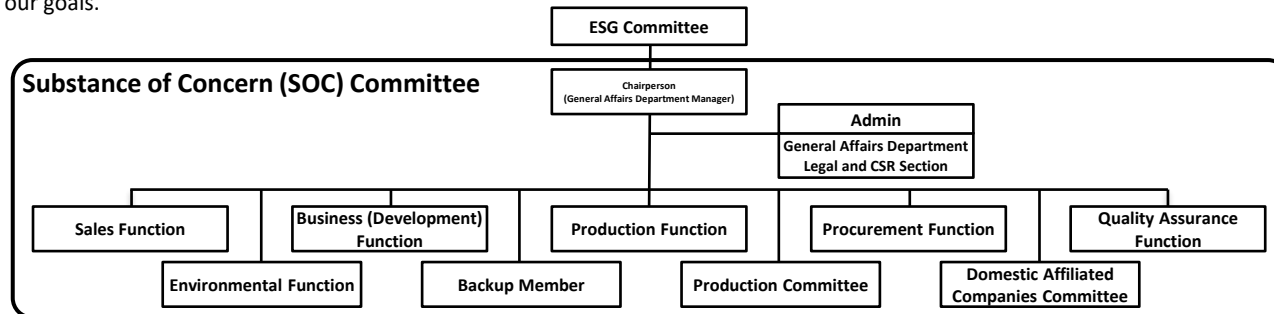
(*2) European ELV Directive: Directive to reduce the environmental impact of end-of-life vehicles, stipulating restrictions on the use of lead, mercury, cadmium, hexavalent chromium, etc.

(*3) European REACH Regulation: Regulation on the registration, evaluation, authorization, and restriction of chemicals for the protection of human health and the environment.

(*4) American TSCA Regulation: Toxic Substances Control Act. Law concerning the control of chemical substances and mixtures that pose an unreasonable risk to human health or environment.

Management System

MITSUBA has established the SOC Committee as a system to monitor environmental laws and regulations, customer requirements, and industry trends related to its products, and to formulate and promote a Group switching policy to reduce or phase out hazardous substances in products to comply with regulations. This allows us to share information across departments and work towards achieving our goals.



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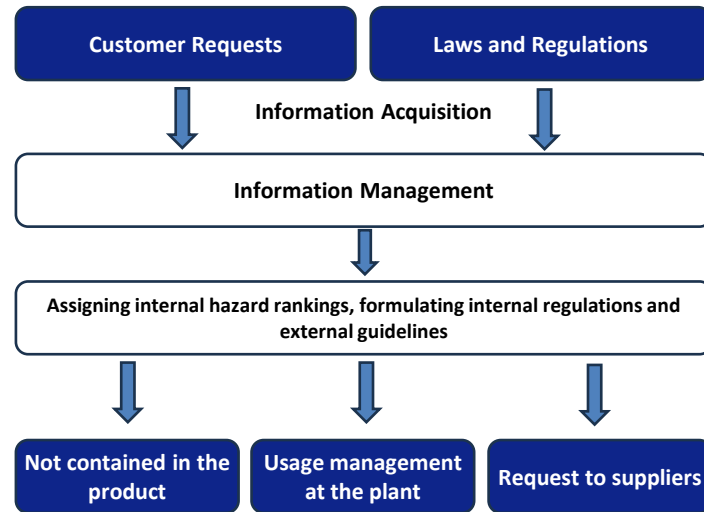
Management of Substance of Concern (SOC)

Management System

MITSUBA has established a global system to grasp the content of hazardous chemical substances in products and to promptly submit various data, such as IMDS (*5) and JAPIA sheets (*6) when requested by customers. Moreover, we appropriately conduct investigations of management systems, responses to customer audits, etc.

In order to comply with product regulations, MITSUBA has strictly controlled each stage of development, production, and logistics, but the cooperation of our suppliers is essential. MITSUBA also requires its suppliers to thoroughly manage their products based on the “MITSUBA Substance of Concern List” and the “Group Green Procurement Guideline,” which include the industry standard (GADSL *7) and the customer’s own requirements.

Diagram for Group Legal Compliance System



(*5) IMDS: Online system for investigating chemical substances contained in parts and materials of automobiles, etc., and confirming compliance with the regulations of finished vehicles.

(*6) JAPIA sheet: Format created by JAMA (Japan Automobile Manufacturers Association) and JAPIA (Japan Auto Parts Industries Association) to register material components contained in products.

(*7) GADSL: List of prohibited and declared substances agreed upon by European, American, and Japanese automobile manufacturers.

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Management of Substance of Concern (SOC)

Strengthening of Management System

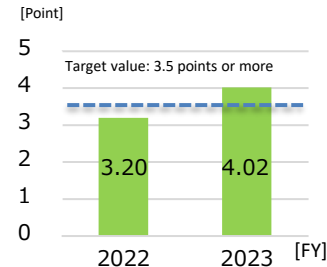
● Management System Evaluation based on Industry Standards

MITSUBA has utilized a self-diagnosis sheet (*8) to evaluate and quantify its management response capabilities, identify areas for improvement, and develop measures to make such improvements. Specifically, we have promoted measures such as establishing a system to check for compliance with laws and regulations at the appropriate time for new parts and parts with material changes, strengthening the system for managing the window for accepting customer requests, clarifying audit procedures for suppliers, maintaining and enhancing procedures for submitting IMDS data, and institutionalizing education, which has resulted in a significant increase in the number of points in FY2023.

(*8) Self-diagnosis sheet : A tool for industry standard for self-evaluating the actual status of self-implementation of the management items specified in the JAMA / JAPIA Guidelines for the Chemical Substances Management in Products (*9) on a 5-point scale.

(*9) JAMA / JAPIA Guidelines for the Chemical Substances Management in Products : Guidelines for industry standard established by the Japan Automobile Manufacturers Association (JAMA) and the Japan Auto Parts Industries Association (JAPIA) for the purpose of appropriate management of chemical substances contained in products throughout the automotive industry.

Self-diagnosis results

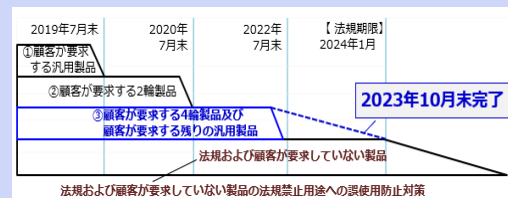


TOPICS

Activities to replace four substances of phthalic acid plasticizers with non-containing products

MITSUBA has been gradually promoting the replacement with products that do not contain phthalate acid in order to comply with the European REACH regulation. In FY2023, we completed the replacement of 186 mass-produced products for automobiles that will be banned from January 2024. Moreover, for products that do not have any prohibited content requirements from laws and regulations or customers, we take measures to prevent their misuse for prohibited purposes and strive to maintain compliance.

Replacement results for phthalic acid in MITSUBA sales products



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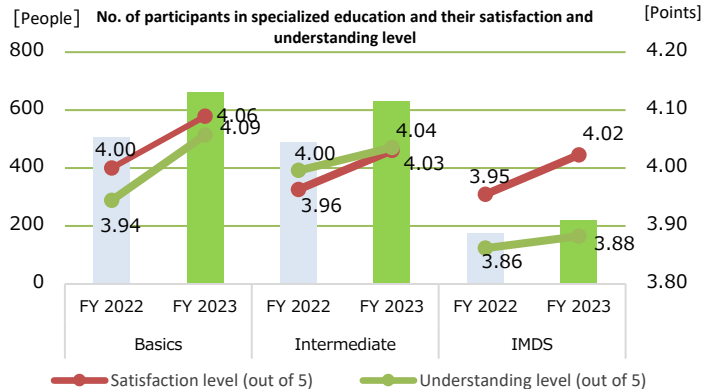
Management of Substance of Concern (SOC)

Strengthening of Management System

● Education

At MITSUBA, we plan and implement general and specialized education for development, sales, purchasing, and quality departments in order to further strengthen our management system for SOC. The specialized education consists of three parts: Beginner level, intermediate level, and IMDS level. The content of the education is extensive, and a system has been established to allow employees at different levels and in different roles to take the appropriate courses. Moreover, we distribute educational videos so that the personnel at overseas Group companies can also take the course. Furthermore, we have set up a help desk in Japan for our overseas Group companies to provide individual education on how to determine whether contained substances comply with regulations, how to submit IMDS data to customers, etc. when necessary.

Through this education, employees are able to have a personal responsibility and acquire necessary knowledge with SOC management, accelerating their efforts to achieve and maintain compliance with laws and regulations across the Group.



Examples of Educational Materials for Personnel of Overseas Group Companies

3. Regulations for Hazardous Chemical Substances Confidential 38/59

Contents of regulations vary in every country/region, and it is difficult to determine which regulation to apply.

<Destination>

<Application>

<Vehicle model>



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MITSUBA

Management of Substance of Concern (SOC)

Contribution to the Establishing of Mechanisms and Public Relations Activities for Chemical Substance Management in the Industry
MITSUBA participated in the “Industry Standard Check Sheet TF” for the Chemical Substance Management in Products, led by the Japan Automobile Manufacturers Association and Japan Auto Parts Industries Association, and contributed to industry activities regarding the creation of a self-diagnosis sheet. Through this activity, we gained a deeper understanding about the management standards of the industry. By utilizing this tool, we are working to improve the efficiency of our management system throughout the supply chain. Moreover, we cooperate in investigating the impact of the legislation on additional prohibited substances in various countries on the automotive industry, and contribute to public relations activities regarding laws and regulations that do not interrupt social activities.

Confirmation of Group Management System

MITSUBA verifies the results of self-diagnosis sheets and provides guidance for improvements to quality-related personnel at Group companies in order to strengthen its management system. We also inspect resin processing processes to ensure proper management, and exchange information on recycled materials and chemical conversion processes to improve mutual knowledge.

**On-site Inspection**



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Management of Substance of Concern (SOC)

Auditing of Suppliers

For suppliers whose management systems need to be checked, we ask them to complete a self-evaluation using a self-diagnosis sheet, and then we conduct a management system audit based on its results to confirm that there are no problems. Moreover, we point out the areas for improvement, request and implement corrective measures, and ask for their cooperation in further strengthening the management system.

INTERVIEW

I am in charge of Chemical Substance Management in Products, as well as understanding regulatory trends, sharing information within MITSUBA, and formulating switching policies. In FY2023, we have started formulating the switching policy for the newly prohibited “Dechlorane Plus,” and conducting audits of our suppliers. Furthermore, we have educated our employees to help them see compliance with regulations as their own personal concern. We are seeing an increase in the number of inquiries, as well as positive results in raising awareness of SOC. Human beings, who have enjoyed the convenience and benefits of chemical substances, are now being forced to switch into stricter evaluation of their hazardous effects and takes into consideration the balance between the environment and the economy. Through these activities, we hope to continue providing safe products while protecting the global environment and preventing health hazards to the human body.



Hiromi Sunaga
MITSUBA Corporation
General Affairs Department,
Legal and CSR Section



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Biodiversity

The “MITSUBA Environment Vision 2046”, states that MITSUBA Group will actively contribute to the conservation of the natural environment in order to protect abundant nature.

Growing lush forests preserves flora and fauna, the natural environment, and the living environment. It also contributes to the conservation of ecosystems and biodiversity. Each of our Group companies checks the surrounding natural environment and actively carries out forest maintenance, tree planting, and environmental beautification activities. Moreover, with the aim of minimizing the impact of our business activities on biodiversity, we measure and evaluate the exhaust gas and the wastewater from our plants more frequently than required by the law.

As part of forest maintenance activities that are continually held through agreements with local governments and landowners, we have been reduced in scale to prevent the spread of the new coronavirus, but we are still continuing such activities. Moreover, we have confirmed the growth of the “golden orchid,” the endangered category II (Vulnerable).

TOPICS

Participating in Kiryu City’s “Flower-filled Community Project”

On June 17, 48 employees from Niisato Plant and Akagi Plant participated in the “45th Flower-Filled Community Project” organized by Kiryu City, Gunma Prefecture, and planted salvia. This activity aims to revitalize the local community by planting flower seedlings in a 1 km stretch around the Gunma Insect Forest, creating a road lined with beautiful flowers. Blessed with fine weather, the participants enjoyed planting and interacting with local residents as they looked forward to seeing the road in full bloom with flowers.





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Society and Human Resources

MITSUBA Group Sustainability Report 2024

MITSUBA



Society / Human Resources

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MITSUBA



MITSUBA Group Human Rights and Labor Policy

MITSUBA Group accepts diversity and respects the basic human rights of each individual based on the Mission Statement of “providing pleasure and peace of mind to the people of the world.”

1. Respect for basic labor rights

MITSUBA Group respects the rights of workers and strives to resolve various work-related issues through dialogues between labor and management.

2. Prevention of discrimination and harassment

MITSUBA Group does not tolerate any discrimination based on birth, nationality, creed, religion, gender, race, ethnicity, age, mental/physical disability, medical history, hobbies, educational background, social status, etc. Moreover, we will not engage in inhumane treatment such as harassment.

3. Prohibition of child labor and forced labor

MITSUBA Group employs people in compliance with the laws and regulations of each country and region and does not allow child labor or forced labor.

4. Provision of a comfortable working environment

MITSUBA Group complies with labor standards such as working hours and wages and strives to comply with the laws and regulations of each country and region. Moreover, we aim to create an efficient work environment and support the realization of work-life balance.

5. Health and Safety

MITSUBA Group strives to create safe and healthy workplaces so that all people can work with peace of mind.

6. Promotion of diversity

MITSUBA Group has been actively promoting the recruitment and diverse human resources, including women, foreigners, and people with disabilities, and improving the environment. In the future, in addition to the initiatives we have taken so far, we will promote further career support and work style reforms and implement personnel measures to utilize employee diversity in our business activities and reform our corporate culture.

7. Health Promotion

MITSUBA Group believes that it is important to create a workplace where employees can work energetically for a long time so that each employee can lead a rich and fulfilling life. To this end, we will not only maintain and improve physical and mental health, but also promote the creation of a workplace environment and system that provide peace of mind in the event of life events (injury or illness).

8. Engagement

MITSUBA Group strives to maximize the overlap between individual values and corporate values by instilling the management policy of “MITSUBA will bring out the best in its associates, as its associates bring out the best in MITSUBA.” Regarding the direction the company is aiming for, we will create a system and environment where employees understand and accept each other.

Society / Human Resources

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Human Resource Development

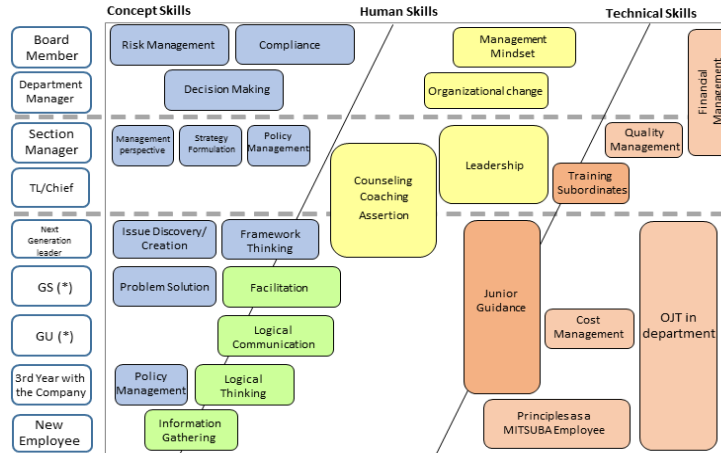
One aspect of our Management Policy is “MITSUBA will bring out the best in its associates, as its associates bring out the best in MITSUBA.” This concept expresses how an organization is composed of people and how organization growth is only possible through personal growth.

Through their work, individuals can grow by challenging high goals while researching and asking others what they do not understand.

In the MITSUBA Group’s human resource development, the Human Resources Department plays a central role in promoting employee development, centered on “education” consisting of OJT and Off-JT, and “personal development” in which employees develop skills through their own initiative.

Educational Curriculum and Training System

At MITSUBA, we provide policies / sustainability education, rank-based education, specialized education, etc., based on the “Human Resources Requirements Definition” stipulated for each level and based on the outline diagram of the educational areas shown below.



Policies / Sustainability Education
Rank-based Education

Specialized Education
 ~Quality~
 ~Production~
 ~Development~
 ~Information~

FY 2023 Off-JT training hours per MITSUBA employee
18.1 hours

(*) GS and GU are MITSUBA job grade names.



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Human Resource Development

Utilization of the MITSUBA Training Center

MITSUBA Group has established the “MITSUBA Training Center” as a place where diverse human resources with different values gather together from within MITSUBA Group, create awareness and foster new ways of thinking, and work hard for mutual self-improvement. We will respond to the diverse needs of customers around the world by facilitating exchanges among human resources with various knowledge and experience, and by creating new value.

Passing on Technologies and Skills

Passing down technologies and skills, learned through long years of experience, is not easy. Therefore, MITSUBA Group considers it as an important job.

● MITSUBA’s Certified Advanced Professional Training School

In 1977, MITSUBA established a vocational training school certified by Gunma Prefecture, for the purpose of training employees in a broad range of advanced knowledge and skills to become competent personnel with the personality and culture to lead corporate development. MITSUBA Group employees who have received recommendations in the workplace after working with MITSUBA for two years acquire the necessary skills and knowledge in each of the following divisions: machining, precision machining, plastic processing, and electronics after entering the school.



MITSUBA Training Center



Lectures



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Human Resource Development

Passing on Technologies and Skills

● National Skills Competition

MITSUBA participates in the National Skills Competition, which is held annually, for the purpose of nurturing young skilled workers who will assume productive roles in the future. The contestants, all under the age of 23, compete in about 40 events in areas such as electronic engineering, machines, metal working, construction and building, and service and fashion. In MITSUBA, we see this as part of our training, and during the three-year activity period, we aim for even higher goals as competitors in the National Skills Competition, that is why we train every day. Currently, we participate in mechatronics, electronics assembly and resin molding, and we have achieved excellent results, including winning silver, bronze, and fighting-spirit prizes at national competitions that we have previously participated in. The technical skills honed over the three years will serve as the foundation for subsequent career development.

Systems and Initiatives for Human Resource Development and Training

● In-house Training System

MITSUBA has an “In-house Training System” that provides job rotation, with the aim of supplementing the individual’s abilities by gaining early experience in related organizations and operations and utilizing them in future operations. In principle, employees in their 4th to 6th years with the company receive work experience in other departments for one year. Moreover, the target persons are all regular employees.



Training



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Human Resource Development

Systems and Initiatives for Human Resource Development and Training

● In-house Study Abroad System

MITSUBA has established an “In-house Study Abroad System” with the aim of systematically implementing personnel exchanges across functions and businesses, broadening horizons by experiencing different types of operations, and developing human resources that meet the human resources requirements. The program is aimed at regular employees, and as a general rule, these employees spend 6 months to 3 years working on a theme or mission at the study abroad destination. Furthermore, the participants are selected from organizations or through volunteering.

● Short-term Assignment system

“Short-term assignment system” is established for the purpose of acquiring a broad perspective and ability to respond by experiencing and accomplishing missions in environments other than MITSUBA, such as domestic and overseas Group companies. Targeting young and mid-level employees, the period of assignment is from one year to one and a half years.

● Career Development Support

MITSUBA implements the following initiatives to support career development.

Contents	Implementation Period	Main Purpose
Career Design Sheet	Once a year	Implement evaluation of knowledge and skills to shape future career
Career Design Training	Five times a year	Self-awareness of one's own strengths and weaknesses and thinking about future career plan
Career interview (Age 50/55)	At age 50/55	Improve employee independence and autonomy
1 on 1	Monthly (recommended)	Improve employee independence and autonomy and eliminate lack of communication



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Human Resource Development

Systems and Initiatives for Human Resource Development and Training

- **Personnel Evaluation System**

MITSUBA utilizes the “Personnel Evaluation System” as a human resource development tool to broaden perspectives, develop the skills and techniques necessary for work, and share work-related tips and tricks through communication with supervisors.

Every six months, employees create goals that describe their performance objectives and their expected results and processes and meet with their superiors at the beginning of each six months to clarify their roles and gain an understanding of organizational goals. At the end of the semester, employees self-evaluate their level of goal achievement and receive evaluation and feedback from their superiors in order to improve their future growth. MITSUBA has a systematized the feedback process and created an environment in which all eligible full-time employees can reliably implement it.

Moreover, in personnel evaluations, in addition to “performance evaluations” for the above goals, we also conduct “behavior evaluations” to evaluate the behavior expected of each employee based on the code of practice “MITSUBA WAY.” The results of such are designed to be reflected in the bonuses.



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Health and Productivity Management

MITSUBA Group believes in the importance of creating a workplace where employees can work energetically for a long time so that each employee can lead a rich and fulfilling life. With this, physical and mental health are not the only thing that can be maintained, but the creation of a workplace environment and systems that provide peace of mind in life events (injury or illness) are also promoted.

MITSUBA believes that the physical and mental health of our employees are an indispensable and valuable asset for the survival of our business. Accordingly, in addition to analyzing the results of statutory health examinations and stress checks, we cooperate with the health insurance society to hold event such as optional seminars on topics that include ensuring sufficient exercise, maintaining and improving mental health, and preventing various illnesses.

Regarding health checkups, employees are given opportunities to undergo health checkups based on the “Rules of Safety and Health and Productivity Management.”

MITSUBA Group Health and Productivity Management Policy

MITSUBA Group believes in the importance of creating a workplace where employees can work energetically for a long time so that each employee can lead a rich and fulfilling life. With this, physical and mental health is not the only thing that can be maintained, but the creation of a workplace environment and systems that provide peace of mind in life events (injury or illness) are also promoted.



Seminar

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Health and Productivity Management

Promotion System

With the aim of enabling MITSUBA Group employees to lead healthy and fulfilling lives both physically and mentally, MITSUBA actively supports activities to maintain and improve health and raise health awareness. With that, we hold monthly meetings with the Health and Productivity Management Promotion Committee, which include industrial physicians, industrial health staff, the labor union, and the health insurance union as participating members, and there we discuss how to encourage employees and such measures to be taken. Moreover, regular reports are made at management-level meetings, and the resolution of issues is speeded up by incorporating the intentions of top management.



TOPICS

Evaluation from outside MITSUBA

MITSUBA has been recognized as a "Certified Health and Productivity Management Organization" for two consecutive years in the large corporation category of the "Health and Productivity Management Organization Certification System" (*) jointly implemented by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi.

(*) A system established by the Ministry of Economy, Trade and Industry in FY 2016 with the aim of maintaining an environment that can be evaluated by employees, job seekers, related companies, financial institutions, etc. by "visualization" of corporations such as large companies and medium-scale enterprises practicing especially excellent health and productivity management.





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Health and Productivity Management

Health and Productivity Management Index

MITSUBA believes that organizational revitalization and employee performance improvement are among the management issues. With that, MITSUBA believes that it is necessary to create a workplace where employees can work energetically for a long time. We will strengthen our support system so that people can feel at ease even when life events such as injuries or illnesses occur, and encourage them to balance treatment and work, and to formulate career and life plans in anticipation of retirement.

Specific measures include encouraging those with findings to undergo checkups, literacy education including e-learning, seminars to support exercise habits, workplace improvement seminars, promotion of specific health guidance by health insurance associations, and internal systems (benefits). MITSUBA implements multilateral measures to raise the knowledge and awareness of employees, such as raising awareness of the importance of health care and maintaining and improving the physical and mental health of employees, thereby increasing employee satisfaction and solving management issues.

Index	Target	FY2023 results
Regular health checkup rate *Supplementary checkup included	100%	100%
Body Mass Index (BMI)	65%	61.3%
High stress rate	14%	17.6%
Smoking rate	25%	30.9%
Specific health guidance implementation rate	30%	24.2%
Rate of people with findings in regular health checkup *Supplementary checkup included	70%	77.0%
Stress check participation rate	95% or more	98.9%
High stress person Follow-up rate	100%	100%
Regular exercise rate	25%	30.5%
Average days of paid leaves taken	12 days	13.8 days

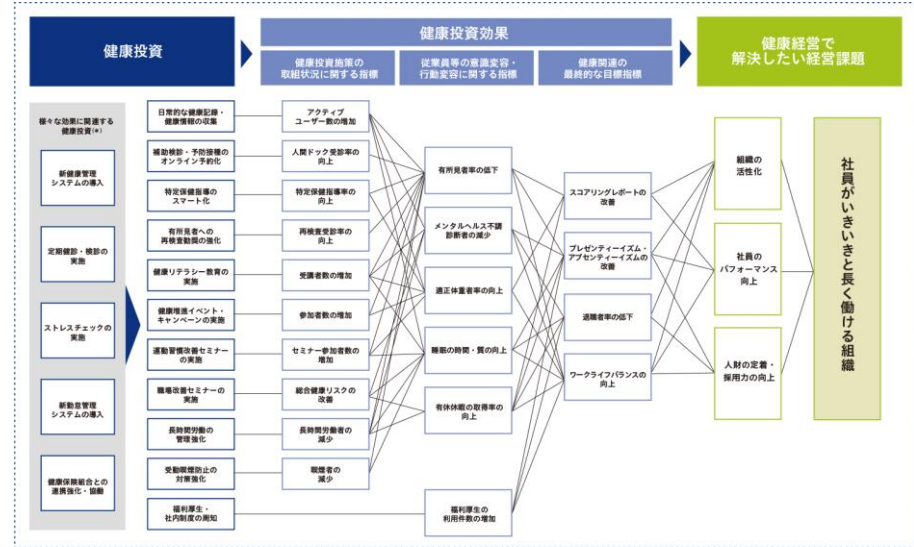
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Health and Productivity Management

Health and Productivity Management Strategy Map



(*) 基本的に「健康投資」と「健康投資効果の取組状況に関する指標」は1対1で対応する。しかし、中には複数の「健康投資効果の取組状況に関する指標」に対応する「健康投資」も存在するため、そのような「健康投資」を「新たな効果に関連する健康投資」とする。





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Health and Productivity Management

MITSUBA Health and Productivity Management Measures

	Measure	Desired Effect	KPI
Daily health support	(1) Integration and cooperation of systems	Improvement of employee's convenience	Number of PepUp active users (*1)
	(2) Daily health record tool compatible with smartphones	Self-maintenance of health becomes a habit	Number of PepUp active users
	(3) Online reservation for supplementary examinations and vaccinations	Early detection and prevention of diseases	Comprehensive checkup rate
	(4) Use of tools for collecting and providing daily information	Increased health awareness	Number of PepUp active users
	(5) Pep point system (*2)	Maintenance and improvement of motivation for health	Number of PepUp active users
	(6) Smart specific health guidance	Prevention of lifestyle-related diseases	Specific health guidance rate
Life improvement support	(1) Implementation of exercise habit improvement seminars	Exercise will become a habit and a daily routine.	Number of seminar participants
	(2) Implementation of dental and oral health related seminars	Acquisition of knowledge about health	Number of seminar attendees
	(3) Awareness and cooperation to health promotion events and campaigns	Exercise will become a habit and a daily routine.	Number of event participants
	(4) Fixed-point observation of Health and Productivity Management indicators (work engagement, etc.) through regular awareness surveys	Measurement and verification of the effectiveness of measures	Presenteeism
	(5) Promotion of awareness and utilization of welfare programs (systems)	Utilization of welfare programs (systems)	Utilization rate
Support for patients requiring treatment	(1) Reinforcement of recommendation for re-examination to group of persons with findings	Prevention of aggravation	Number of reexaminations
	(2) Implementation of workplace improvement seminars	Prevention of occurrence of mental disorders	Overall health risk
	(3) Health support system by providing information from the workplace	Early detection of people with poor health	Number of consultations from workplace

(*1) PepUp: Healthcare services

(*2) Pep point system: A system in which points are awarded by participating in health events. Points can be exchanged for various products in PepUp

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Health and Productivity Management

Specific Examples of Initiatives

● Walking as a Social Contribution and Health Promotion: Promoting through Collaborative Health

MITSUBA, in cooperation with MITSUBA health insurance society, has implemented an initiative in which walking not only promotes one's own health, but also contributes to society by providing school meals to children in developing countries. We set a goal for employees (6,000 steps per day) and donated 20 yen (equivalent to one school meal) for each employee who achieved the goal to the NPO TABLE FOR TWO International (hereinafter TFT) as part of the TFT program, providing nutritious school meals to children in Africa and Asia. This initiative won the grand prize in the “Mental and Physical Health Promotion Category” at the TFT Awards 2023.

[Results] Target: 6,000 steps/day No. of employees who achieved the goal: 9,628 Donations: 192,560 JPY



(*1) TABLE FOR TWO

A non-profit organization with the mission to eliminate global food imbalances and simultaneously improve the health of people in both developing and developed countries.

(*2) TFT Awards

TFT holds this event every year with the aim of sharing information about TFT's donation initiatives and publicity efforts with participating companies and organizations, and to encourage mutual support.

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Health and Productivity Management

Specific Examples of Initiatives

● Sports Yell Company Certified

As part of the health management initiatives, MITSUBA shared information about its initiatives with other companies and participated in the Sport in Life Consortium (*1) of the Japan Sports Agency with the aim of further encouraging employees to exercise. Moreover, as a result of reporting the company's activities in the program, MITSUBA has been certified as a "Sports Yell Company 2024 (*2)."



(*1) Sport in Life Consortium

A consortium consists of private companies, organizations, and local governments, etc. that support the Sports Agency's Sport in Life philosophy.

(*2) Sports Yell Company 2024

A system established in FY 2017 with the aim of improving the social evaluation of companies actively promoting strategic measures for healthcare of their employees by certifying companies promoting measures to support and encourage the sports activity of their employees.

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Creating Rewarding Workplaces - Toward the Realization of Diversity

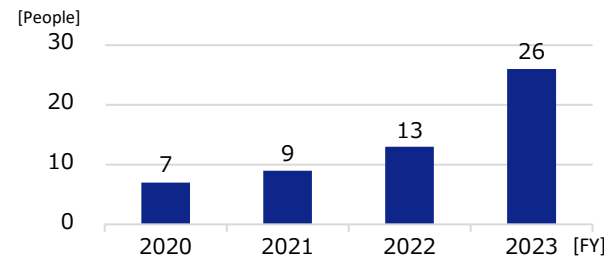
In order to create new value and pleasure which are the goals of “MITSUBA VISION 2030”, it is essential to accept diversity, respect ideas and values, and realize diversity that includes open exchanges regardless of position or organization. MITSUBA has been actively hiring and promoting diverse human resources such as foreigners, and people with disabilities, and actively improving our workplace environment. Moving forward, in addition to our initiatives thus far, we will promote further career support and work style reforms and implement personnel measures that utilize the diversity of our employees in our business activities and internal culture reforms.

Creating a Comfortable Workplace for Women

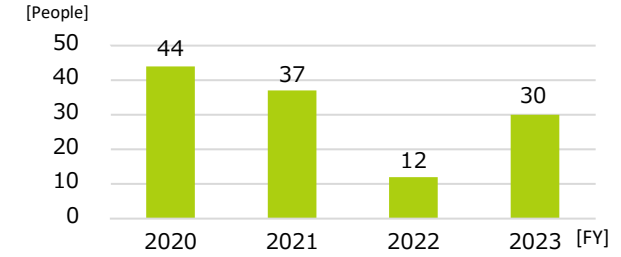
● Work and Family Balance Support System

In order to support employees who are raising children, MITSUBA has established a “shortened working hours system for childcare” that can be used until their child reaches the second grade of elementary school. In addition to annual paid leave, MITSUBA has also established a “life support leave system” that can be taken for situations such as caring for a family member or commuting to a hospital, infertility treatment, etc. Similar to childcare, for employees who are caring for a family member, we have established a “shortened working hours system”, “long-term care leave system”, and “long-term care absence system.” These systems support a balance between work and family.

Number of (male) employees taking childcare leave



Number of (female) employees taking childcare leave





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Creating Rewarding Workplaces - Toward the Realization of Diversity

Creating a Comfortable Workplace for Women

- **Establishment of Ohisama Garden (In-house Daycare Center)**

In April 2007, MITSUBA Group established “Ohisama Garden”, an in-house daycare center for Group employees, as part of initiatives to create an environment in which makes work easier for employees who are raising children. MITSUBA believes that an environment where children can be raised with care leads to a sense of security, which in turn leads to the peace of mind we provide to people around the world. Many female employees return to work after taking the maternity leave and childcare leave system. MITSUBA is promoting the social advancement of women throughout our company.



In-house daycare facility “Ohisama Garden”

- **Initiatives to Women's Empowerment Promotion in the Workplace**

MITSUBA launched the “Women's Empowerment Promotion Project” in September 2022 as a company-wide project directly managed by top management and has been working on it ever since. The members selected from each division within the company exchange opinions across division and job boundaries to consider and propose measures to create a workplace environment, corporate system, and communication environment that is easy for women to work in and make recommendations and proposals to top management through the human resources meetings and other forums. The proposed measures are reflected in revisions to systems and rules, contributing to the improvement of systems and culture within MITSUBA.

In April 2024, we started to revamp our objectives and project members and promote activities to achieve “Career Advancement and Skill Development for Women.”



Regular meeting

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Creating Rewarding Workplaces - Toward the Realization of Diversity

Creating a Comfortable Workplace for Women

● Measures for implementing Women's Participation in the Workplace Promotion Project (Partial)



**Pregnancy and Childbirth Handbook
(Distributed to all MITSUBA employees)**



Publication of Paternity Leave Experiences

INTERVIEW

We worked as members of the Women's Empowerment Promotion Project for about a year and a half. In particular, we spent about half of the activity period deciding on the three themes: "Having a good work-life balance and being able to pursue the career of their choice", "Continuously acquiring and utilizing knowledge and skills", and "Being recognized and needed within the organization" in order to reflect diverse opinions. Thanks to the discussions, we were even able to revise our internal systems and rules.

Every time we receive inquiries from employees, we feel that awareness within the company has improved, and we are delighted to hear about the positive changes in male managers' understanding and behavior towards childcare. We feel that the visible results of these project activities are extremely valuable.



Kumiko Ishida and Yukari Otsuka
MITSUBA Corporation

Processing Research and Development Department Production Engineering Department

Processing Research and Development Section 6 Production Engineering Section 1

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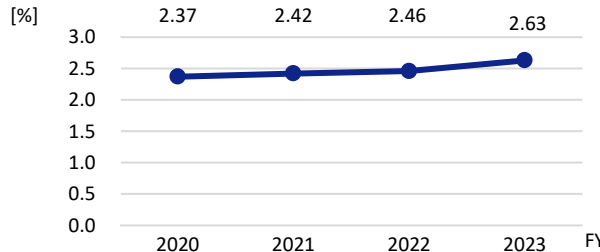
Promoting the Utilization of Non-Japanese Human Resources

MITSUBA Group is expanding our business globally, so for the purpose of sharing values and encouraging the standardization of management skills, MITSUBA expands opportunities for non-Japanese human resources to interact in various situations such as “Global Leader Development Training” and human resource development through practical training in Japan. Furthermore, since last year, we have been using the intra-company transfer system to accept human resources from affiliated overseas Group companies and develop human resources through practical work functions at the Head Office. We will continue to actively utilize and promote overseas human resources.

Promotion of Employment of Persons with Disabilities

MITSUBA has established a special subsidiary, AMCO Corporation, and has been promoting the employment of persons with disabilities. As working styles become increasingly diversified, we have established the MITSUBA Group Disabled Persons Employment Committee, and will not only proactively recruit persons with disabilities, but also work to create a comfortable working environment for them.

MITSUBA Group (Domestic) Persons with Disabilities Employment Rate



AMCO



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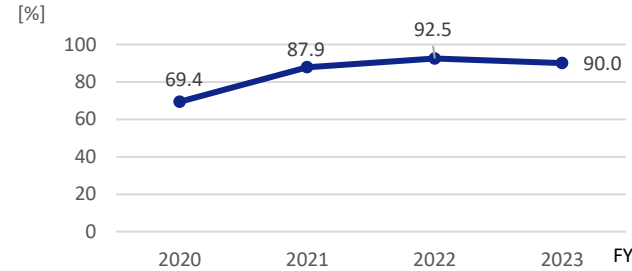


Creating Rewarding Workplaces - Toward the Realization of Diversity

Post-retirement Re-employment

At MITSUBA, the retirement age is at 60 years old. However, we have a “post-retirement re-employment system” that allows employees to continue working if they wish to do so. Every year, by utilizing skills and knowledge cultivated over many years, many employees continue to fill active roles in various workplaces even after their retirement.

Rate of post-retirement re-employment





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Quality Assurance

Quality Policy

- We will make MITSUBA the brand of choice on a global scale -

By supplying products which meet the needs of customers, MITSUBA aims to become a trusted corporate whose products are preferred and highly valued by our customers.

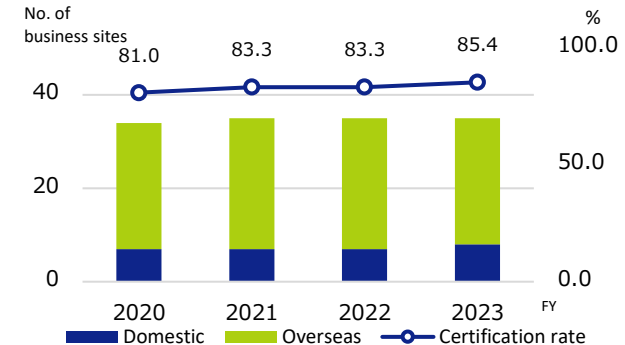
Moreover, we aim to make the name of MITSUBA synonymous with the values of “technology in harmony with society and the environment” and “pleasure and peace of mind.” We will expand the MITSUBA brand not only in Japan but also throughout the world.

Quality Management System

MITSUBA has built and operates a quality management system that complies with the international standard IATF 16949 for the automobile industry. We are working to continuously provide products that meet the needs of our customers and comply with laws and regulations in each country.

We have acquired and maintained IATF 16949 certification at our production sites, including overseas and domestic group sites, and we are promoting continuous improvement of our quality management system.

Number and rate of acquisition of IATF 16949 certifications acquired at production sites



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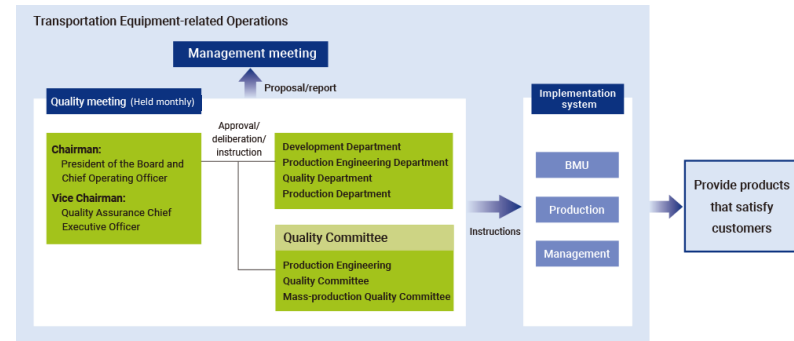
Quality Assurance

Internal Control

As part of our internal quality control, we conduct yearly “internal quality audits” at each business location to check whether processes are functioning properly, and use management reviews to improve our systems. Furthermore, in order to strengthen control across the entire Group, MITSUBA Head Office audits the quality assurance systems of both overseas and domestic group companies and works to standardize the operation of MITSUBA’s quality management system. Moreover, we conduct quality compliance audits to check whether on-site inspections are being carried out properly in accordance with the rules, and whether any irregularities such as data tampering have occurred, by checking the actual site and the actual items.

Quality Assurance Activities

MITSUBA evaluates the appropriateness, adequacy, and effectiveness of its quality management system, monitors progress on quality concerns, and offers improvement instructions at quality meetings led by the President and Representative Director. Moreover, we have formed quality committees for each function, such as production technology and production departments, to design systematic quality improvement strategies with the aim of increasing quality levels and optimizing global quality costs.



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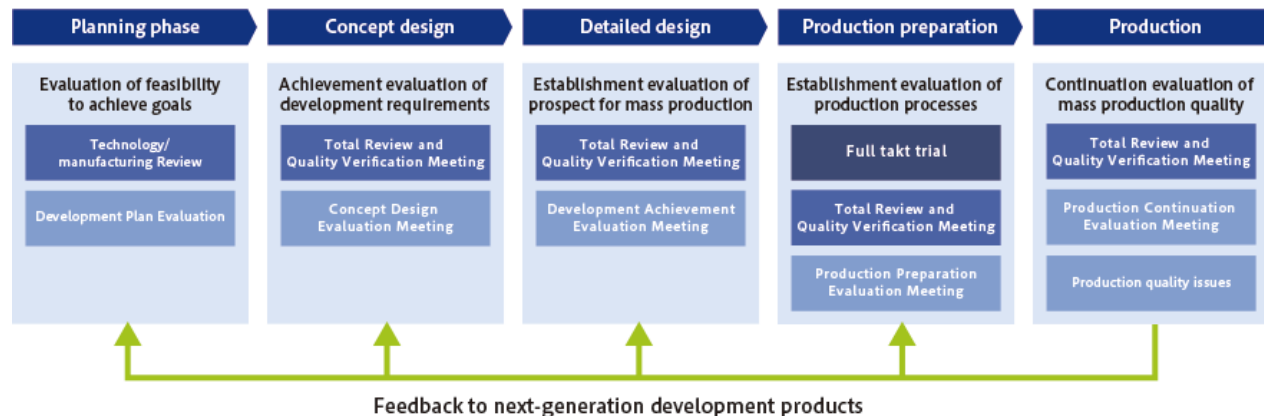
Quality Assurance

Quality Assurance Activities

Based on our product development flow, MITSUBA holds quality verification meetings at each stage from development planning to design and production. At these meetings, we evaluate product safety and conformity with quality regulations.

In quality assurance activities prior to mass production, we hold production trials (full takt trials) equivalent to mass production in order to evaluate fluctuations in quality and to prevent the recurrence of the quality issues

Management during new product development



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✓ Quality Assurance

Quality Improvement Initiatives

● Quality Education

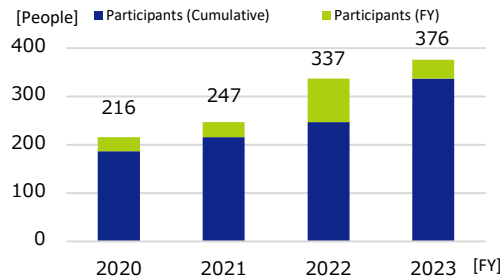
MITSUBA's quality education systematically develops human resources through stratified education and specialized education. For stratified education, we have started education for managers that fosters a culture of quality. We are also working to build management that places utmost priority on quality.

We also strive to improve quality awareness by learning lessons from problems in the past and providing feedback to product development to ensure the safety of new products.

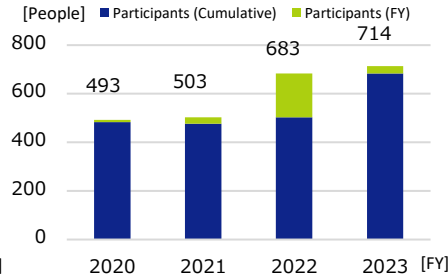
For specialized education, in order to establish highly durable designs (including changes in the operating environment and changes overtime) and processes which make manufacturing easier, we are conducting quality engineering education and working on concurrent development (*) that combines simulation and quality engineering.

(*) Concurrent development: A method that shortens the development process by simultaneously promoting upstream processes such as planning and design and downstream processes such as manufacturing and testing, and by optimizing designs and processes at the initial stage of development. Since related departments gather and communicate among them, mutual losses due to miscommunication can be avoided.

No. of participants in quality culture training



No. of participants in quality engineering training



Quality Culture Training



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MITSUBA



Quality Assurance

Quality Improvement Initiatives

● Improving Quality Assurance System for Suppliers

In order for MITSUBA to continue to be chosen by customers, the cooperation of our suppliers who provide us with the components and materials for our products is essential. MITSUBA issues quality control standards based on the international standard IATF 16949 for the automotive industry to all of its suppliers, and requires them to comply with these standards. Furthermore, we are working closely with our suppliers to establish quality assurance system, and provide ongoing support in order to enhance the quality assurance systems of our suppliers.

<Major activities with suppliers>

- We hold a briefing on the annual quality policy and quality targets to share our efforts in quality improvement at the beginning of each fiscal year.
- We manage monthly and annual quality evaluations of our suppliers, notify them of the results, and ask for their cooperation in making improvements.
- The suppliers undergo self-audits, or MITSUBA conducts on-site audits to provide support for improvements depending on the quality evaluation.

Moreover, we implement quality improvement activities throughout the year and provide ongoing advice and support for suppliers who are deemed to require focused support

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✓ Quality Assurance

Quality Improvement Initiatives

● MEE Activity (MITSUBA Error Elimination)

At MITSUBA, we are engaged in “MEE activities” based on QC circle activities. MEE activities have a history of more than 55 years since their introduction, with the aim of improving skills and self-actualization through group activities, creating a bright, energetic and fulfilling workplace, and improving customer satisfaction. These activities are being expanded widely, including domestic and overseas MITSUBA Group companies. Improvement cases are selected from the companies and reported at MEE Conference regularly. We will continue our quality improvement activities in the future to further improve quality.



MEE Conference (Japan)



MEE Conference (Indonesia)



MEE Conference (Mexico)

TOPICS

Quality Awards from Customers

MITSUBA has received high praise from customers for its quality performance and initiatives for quality improvement strategies, and in FY2023, the MITSUBA Group received 11 quality-related awards.



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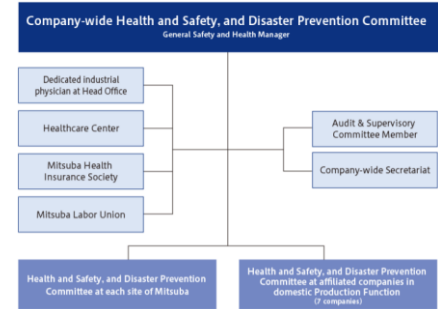


Occupational Health and Safety

Safety measures are an essential theme in the manufacturing industry. MITSUBA group thoroughly implements the principle of “safety first” and works to cultivate “culture of safety” remembering that “ensuring safety is the responsibility of the company and compliance with rules is the responsibility of employees”, and strives to create a system that autonomously promotes occupational safety and health measures through labor-management cooperation. We aim to create a safe, healthy, and comfortable working environment by ensuring that each employee considers occupational accidents and mental health as their own concerns, as well as by providing a “safe working environment” and “psychological safety.”

Company-wide Safety, Health, and Disaster Prevention Committee

In order to strengthen information sharing between business sites and the implementation of measures, MITSUBA Group has established a “Company-wide Safety, Health, and Disaster Prevention Committee,” chaired by the Executive Officer in charge of production. Furthermore, we have established a “Health and Safety, and Disaster Prevention Committee” at each business site and hold monthly meetings to ensure and improve the occupational health and safety of the employees by taking into account employee opinions and requests.



● Policy

Health and Safety

“Raise each employee’s awareness of potential hazards and collaborate with the company activities to establish a safe workplace free of occupational accidents.”

Disaster Prevention

“Create a workplace where each and every employee understands their behavior in response to disasters (including infectious diseases) and does not suffer damage.”

● Activity Target - Total Accident Frequency Rate (*) 0.654 or less - Zero injuries and zero delivery delays when disasters occur

(*) An index that expresses the frequency of accidents is the number of fatalities and injuries due to occupational accidents, including injuries and illnesses resulting in absence from work, per 1 million actual working hours.

Total accident frequency rate = Number of fatalities and injuries due to occupational accidents including injuries and illnesses resulting in absence from work/Total actual working hours x 1,000,000



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MITSUBA



Occupational Health and Safety

Initiatives for Occupational Health and Safety

● Prevention of Occupational Accidents

MITSUBA Group conducts workplace safety patrols and mutual safety patrols between workplaces. Improvement activities based on patrol results lead to the reduction of unsafe acts and the strengthening of safety measures. We carry out risk assessments on newly introduced and all existing equipment, including those that undergo operation change, implementing countermeasures prioritizing areas with a high-risk level, reflecting this in work instruction sheets, and providing operator education to prevent occupational accidents from occurring. Moreover, we are striving to improve our management system by referring to examples of workplaces that have been accident-free for a long period of time.



Patrol



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Occupational Health and Safety

Initiatives for Occupational Health and Safety

- **Preparation of Work Instruction Sheets**

MITSUBA Group has prepared work instruction sheets that clearly describes the key points of work, protective equipment to be worn, and methods for handling chemical substances, so that anyone can work safely and produce products that meet quality standards. Moreover, at business sites that operate a foreign technical internship program, we translate work instruction sheets and other notices into the native languages of the trainees (Chinese and Vietnamese) to ensure that they can work and act safely at their work sites.

- **Health and Safety Training**

At MITSUBA, as an educational curriculum that matches the employee's rank and role, newly promoted employees increase their knowledge of health and safety through stratified education. Moreover, we apply practical techniques such as KYT (Risk prediction training), and TWI-JS (Safe work methods) for managers and supervisors to acquire skills to lead the workplace.

Furthermore, when dispatched employees are hired, we provide trainings for new hires, as well as educational curriculums and support at the request of partner companies.



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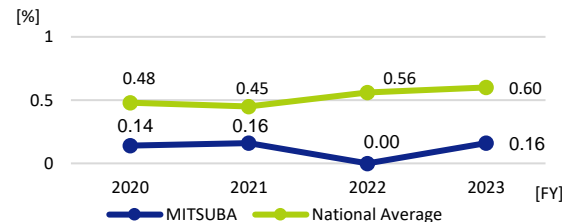
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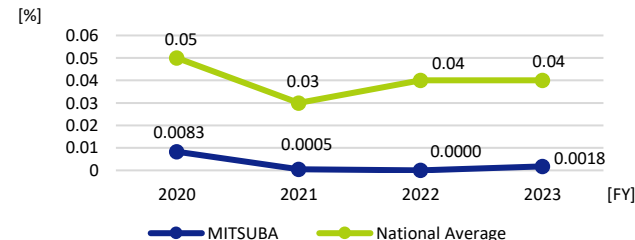
Occupational Health and Safety

Occurrence of Occupational Accidents, etc.

MITSUBA Occupational Accident Frequency Rate (*1)



MITSUBA Occupational Accident Severity Rate (*2)



(*1) An index that expresses the frequency of accidents is the number of casualties due to occupational accidents per 1 million actual working hours.

Frequency rate = Number of casualties due to occupational accidents/Total working hours x 1,000,000

(*2) An index that expresses the severity of an accident is the total number of working days lost per 1,000 actual working hours.

Severity rate = Total working days lost/Total working hours x 1,000

● Initiatives to Prevent Recurrence

When occupational accidents occur, the company-wide corporate general safety and health manager of MITSUBA Group personally visits the site to inspect the situation and pinpoint the underlying cause. We also use an Occupational Accident Analysis Sheet to identify the cause, take measures to prevent recurrence, and verify the effectiveness of the measures. Regarding occupational accidents, the Company-wide Safety, Health, and Disaster Prevention Committee is working to prevent similar accidents from occurring by laterally spreading information to each business site.



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Respect for Human Rights

MITSUBA Group upholds respect for human rights in its code of practice, “How We Should Act.” Moreover, to continue to be a company that is trusted by the international community, we communicate not only with our employees, but also with our suppliers and local communities; and respect the basic human rights of society as a whole.

Abolition of Discrimination

MITSUBA Group advocates the abolition of discrimination in its code of practice “How We Should Act” and works to create a comfortable workplace where diverse human personnel can thrive and play an active role, regardless of their birth, nationality, creed, religion, gender, race, ethnicity, age, mental/physical disability, medical history, social status, etc. Moreover, when hiring, applicants are judged on matters unrelated to the applicant's aptitude or ability, such as “matters beyond the applicant’s responsibility” as in family or living environment, and “matters of essential liberty” as in religion or ideology. In addition, briefing sessions for interviewers are conducted to ensure that they have a good understanding of our hiring process, as well as to ensure fairness.

Prevention of Harassment

MITSUBA prohibits harassment related to gender, pregnancy, childbirth, childcare, elderly care, as well as power harassment and sexual harassment, etc. and establishes internal regulations to these effects. Moreover, we have established “MITSUBA Comprehensive Consultation Desk” both inside and outside the company, and when a matter is reported, we verify the facts and take measures to prevent recurrence.

Prohibition of Child Labor and Forced Labor

In order to prevent child labor, MITSUBA confirms the age in the documents submitted when joining the company. In addition to hiring people who apply of their own free will, we also strive to prevent forced labor by providing prior notice (in writing) of working conditions to hired employees, and not requiring foreign technical intern trainees to keep important employee documents such as passports in the company’s custody.



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Respect for Human Rights

Freedom of Association and Respect for the Right to Collective Bargaining

MITSUBA considers collective bargaining to be an element of basic human rights that should be respected as a company, and recognizes the right of employees to bargain collectively regarding wages, working conditions, etc., in collective bargaining agreements.

● Labor-management Relationship

MITSUBA has adopted a union shop system, and all non-managerial regular employees, with the exception of some management-related employees, are members of the labor union. With the aim of establishing fair and stable labor-management relations, we have concluded a comprehensive collective labor agreement, available to all employees at any time via the intranet, promoting MITSUBA's development and improving the lives of union members.

● Dialogue Between Labor and Management

At MITSUBA, we hold a central management meeting for the entire company and a departmental management meeting for each department every month. In addition, the labor union and the human resources department hold labor relations committee meetings weekly to create a better workplace environment, where active exchange of opinions and information between labor and management takes place on a daily basis. Moreover, when revising or establishing new systems that have a significant impact on employees' work styles and working conditions, these new systems are implemented only after mutual consultation and agreement between labor and management.

Furthermore, in order to promote communication between the company and its employees, we are actively implementing "Kurumaza," which is a dialogue and information exchange between management and employees in each department. This serves as an opportunity to convey management policies and ideas to employees and to directly confirm the opinions of employees to such policies and ideas.



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Respect for Human Rights

Human Rights Education

MITSUBA is working to raise awareness of human rights by conducting CSR education (including content on harassment) for employees using e-learning and by providing education on harassment at the “Personnel Labor Meeting” for managers once a year.

Establishment of Consultation Desk

MITSUBA Group has set up the “MITSUBA Comprehensive Consultation Desk”, both internally and externally (at law firms), where employees can report and consult about “corporate ethics” and “compliance,” including discrimination and harassment. When operating the MITSUBA Comprehensive Consultation Desk, we ensure that the service can be used with peace of mind by protecting the privacy of whistleblowers and consulters and preventing any disadvantage.

Human Rights Assessment

In MITSUBA, a check sheet is used to periodically (once a year) evaluate the effectiveness of sustainability activities, including human rights. Furthermore, each Group company regularly (yearly) conducts a self-evaluation using a checklist based on the Group's sustainability standards. The questions on human rights in the checklist are based on human rights items that should be considered in the corporate activities of MITSUBA Group, such as prevention of child labor by verifying age at the time of employment, and all types of harassment and discrimination in human resources. We analyze human rights issues within the MITSUBA Group based on the results of each Group company's self-evaluation and use this information to develop measures to correct and improve these issues.



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Social Contributions

MITSUBA Group's codes of practices, "How We Should Act" stipulates that we "actively engage in social contribution activities in order to be a company that 'fulfills its role as a member of society.'" We value our founding spirit of "Contributing to Local Communities," and each of our Group companies engage globally in various social contribution activities.

- **Charity Concert**

In November 2023, the 49th MITSUBA Charity Concert was held. This concert was started in 1972 by the MITSUBA Mutual Aid Society's Music Department, who, as members of the automobile industry, wished for an "accident-free automobile society." This time, more than 200,000 JPY was raised and used to donate to the Traffic Orphan Scholarship Association, a Public Interest Incorporated Foundation, and to donate equipment to the Kiryu Kosei General Hospital.

- **Forest Maintenance Volunteerism**

MITSUBA has signed an "Forest Maintenance Activity Agreement" with Gunma Prefecture. Every year, volunteers from MITSUBA perform forest maintenance at Gunma Insect World. While maintaining good relationships with local communities, MITSUBA contributes to conservation of satoyama (woodland close to villages) and prevention of global warming.



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MITSUBA **Social Contributions**

- Support Activities for Disaster-Stricken Areas

MITSUBA Group donated a total of 1,000,000 JPY to the Embassy of the Kingdom of Morocco in Japan and to the local area as relief funds for the devastating damage caused by the earthquake that occurred in the Kingdom of Morocco on September 8, 2023. We will continue to carry out support activities and pray for the earliest possible recovery of the affected people and region.

- Blood Donation Activities

MITSUBA has been conducting blood donation activities for over 50 years since 1970 as a familiar social contribution. From 2006 to the present, 4,374 employees from both the Head Office and MITSUBA Research and Development Center have participated. Moreover, each of our plants and overseas Group companies in Asia, Europe, and other regions also conduct blood drives.



MITSUBA Head Office



MITSUBA Hungary

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Social Contributions

● PET Bottle Cap Collection Activity

AMCO Inc., a MITSUBA special subsidiary, has been collecting PET bottle caps since 2011 with the hope of “helping people in need around the world.” The collected PET bottle caps will be delivered as vaccines to children around the world through “Japan Committee Vaccine for the World’s Children”, an authorized NPO, via collection companies. By FY 2023, we have donated a total of 611,690 vaccines, enough for approximately 711 people.



● Examples of Social Contribution Activities of Overseas Group Companies

Region	Company Name	Content of Activity
America	MITSUBA do Brazil Ltda.	Provided food support and education to nearby childcare facilities
Europe	MITSUBA Turkey Otomotiv A.S.	Provided donations for the Turkish NGO AFAD (Disaster and Emergency Management Agency) for the Kahramanmaraş earthquake
Asia	P.T. MITSUBA Indonesia	Donation of masks and thermometers to public health centers



Providing food support to nearby childcare facilities



Donating medical supplies to health centers



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Governance

MITSUBA Group
Sustainability Report

2024



MITSUBA



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Corporate Governance

In order to meet the expectations of our stakeholders and win their trust, MITSUBA will continue to improve corporate value and implement fair, wholesome, and highly transparent management corporate value based on our corporate philosophy “providing pleasure and peace of mind to people of the world.”

Basic Policy on Corporate Governance

(1) Ensuring shareholder rights and equality

The Company shall treat all shareholders equally in accordance with their holdings, and shall secure the substantial rights of shareholders, based on the “Principle of shareholder equality” stipulated in the Companies Act, and disclose information in a timely and appropriate manner so that such rights can be appropriately exercised. Moreover, at the general meeting of shareholders of the Company, the Company will strive to create an environment in which more shareholders can exercise their voting rights, taking into consideration the composition of the Company's shareholders.

(2) Consideration of stakeholder interests

We consider the interests of our stakeholders, including customers/consumers, employees, shareholders/investors, suppliers/creditors, and society, and cooperate appropriately in order to sustainably improve our corporate value. Moreover, in order to ensure that the interests of stakeholders are not harmed, the Company shall establish a code of practice and internal regulations based on its corporate philosophy, and each officer and employee shall practice these and monitor the implementation status. Furthermore, the Company has developed a reporting system internally and externally to ensure that the Board of Directors is informed of concerns about illegal activities and unethical practices at the Company, and that the whistleblower is not adversely affected.

(3) Ensuring appropriate information disclosure and transparency

Based on the Companies Act and other applicable laws and regulations, we will determine our policy on information disclosure, disclose information deemed important in a timely and appropriate manner, and obtain the understanding of our stakeholders. Moreover, when disclosing information, try to provide specific and easy-to-understand descriptions.

(4) Responsibilities of the Board of Directors, etc.

The Company's Board of Directors, entrusted by shareholders, is responsible for the sustainable corporate value improvement through the realization of efficient and effective corporate governance. For this reason, the Company will separate the management decision-making and supervisory functions from the business operations functions to ensure efficient business operations and strengthen the supervisory function of the Board of Directors by appointing outside directors to ensure fair and highly transparent management. Furthermore, we will establish a Nomination and Compensation Committee, which is an advisory body to the Board of Directors and aim to strengthen governance by increasing objectivity and transparency in the procedures for nominating directors and determining compensation.

(5) Dialogue with shareholders

In order to sustainably improve corporate value, we will actively engage in dialogue with shareholders and investors through opportunities such as the General Meeting of Shareholders and Investor Relations, etc., and strive to ensure that they understand our management strategies and plans, as well as reflect the opinions of shareholders and investors in our management.

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Governance System

Corporate Governance System

MITSUBA has adopted a company with an Audit and Supervisory Committee as an organizational design under the Companies Act. Moreover, the operating officer system is introduced and appointed four outside directors to promote stronger governance and more efficient management.

Furthermore, we have established the Nomination and Compensation Committee, an advisory body to the Board of Directors, and are working to strengthen governance by increasing the objectivity and transparency of the procedures for determining the nomination and compensation of directors.

Effectiveness Evaluation of the Board of Directors

MITSUBA conducts an effectiveness evaluation of its Board of Directors every year with the aim of improving its effectiveness and strengthening its corporate governance functions.

The summary of the evaluation and analysis results for FY2023 is as follows:

● FY2023 Effectiveness Evaluation of the Board of Directors

Evaluation method	<ul style="list-style-type: none"> - A questionnaire consisting of eight items, including personnel, systems, agenda, etc., was distributed. - Evaluation was conducted anonymously using a four-point scale and free-form comments.
Overview of evaluation results	<ul style="list-style-type: none"> - Confirmation that the composition, operation, and frequency of meetings of the Board of Directors are appropriate, and that a system has been established for making important management decisions and supervising business execution. - On the other hand, we recognized that there is still room for improvement in the discussion of medium to long-term management strategies and in the enhancement and early distribution of materials for Board of Directors meetings.

Based on the evaluation results, we will continue to strengthen the supervisory function for company management and improve the operation of the Board of Directors.

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Governance System

Business Operations System

MITSUBA delegates business operation authority to meetings such as management meetings and has a matrix structure with functional organizations (departments, sections, and projects) that conduct business in order to make management decisions quickly and appropriately. Important matters related to ESG are deliberated at the ESG committee, a company-wide meeting body related to ESG, and reported to the Management Meeting. Various committees have been set up as subordinate bodies of the committee to formulate action policies and monitor important company-wide themes in each area and respond to various management issues raised by each committee under the direction and orders of the compliance officer and the risk management officer.

Related policies, etc.: Corporate Governance Report

Basic Policy for the Internal Control System





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Compliance

As stated in the Mission Statement of our Sustainability Policy, MITSUBA Group is working together as a group to promote compliance initiatives in order to meet the expectations of the society and be a company that is trustworthy.

Compliance Policy

MITSUBA Group believes that it is essential for executives and employees to gain the trust of stakeholders through their actions in conducting business activities. Based on this idea, we established the code of practice called “How We Should Act,” in 2015, which specifies the sustainability actions that the MITSUBA Group executives and employees should practice on a daily basis. In 2019, we established the Group Compliance and Risk Management Regulations and clearly defined “How We Should Act” as the MITSUBA Group's common code of practice.

Moreover, the President/Representative Director issued a request to the Group executives and employees to practice “How We Should Act,” and expects each and every one of them to be aware of sustainability actions, including compliance, and to act with high level of ethics.

Promotion System

At MITSUBA, in order to strengthen our compliance system, we have established the so-called “three defense lines” (raising awareness on-site, management by the Legal Department, and implementation of internal audits by the Audit Office), and have constructed a system that enables thorough legal compliance. Moreover, decisions on important matters concerning compliance and risk management initiatives in MITSUBA Group are made in the ESG committee. Details of discussions, resolutions, and progress made in the ESG committee are reported to the MITSUBA Board of Directors through the MITSUBA management meeting.

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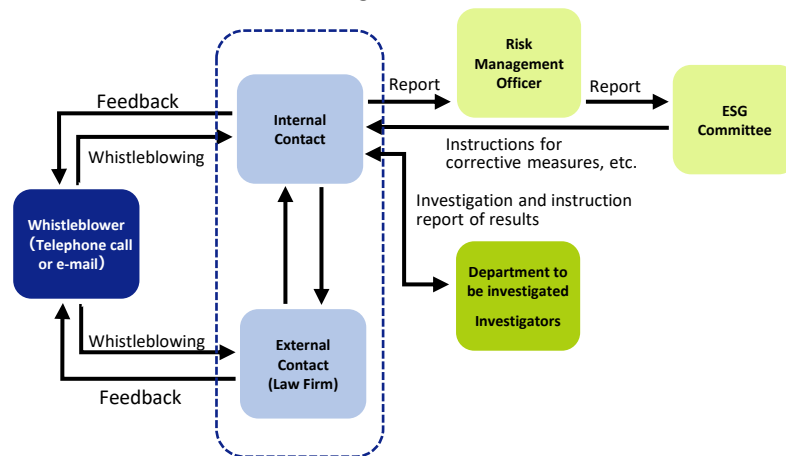


Compliance

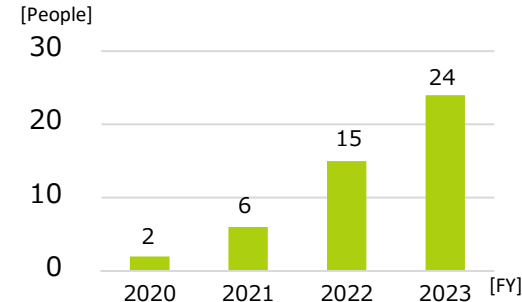
Whistle-blowing System

MITSUBA Group has set up the “MITSUBA Comprehensive Consultation Desk,” both internally and externally (at law firms), where employees can report and consult about “corporate ethics” and “compliance.” We investigate all reported and consulted matters and take appropriate measures to resolve them. When operating the consultation desk, we ensure that it can be used with peace of mind by protecting the privacy and preventing any disadvantage to the whistleblowers and consulters. Moreover, our internal regulations clearly state the penalties for unfavorable treatment of whistleblowers and consulters.

Action flow when whistleblowing occurs



Trend in the number of consultations



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Compliance

Initiatives to Strengthen Compliance

● Compliance Education

At MITSUBA Group, we are working to foster compliance awareness throughout the Group by distributing portable cards with the Group Codes of Practice, "How We Should Act."

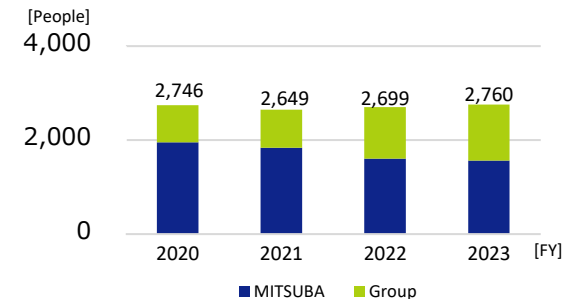
In addition, we conduct compliance education by theme, such as the Antitrust Law, as part of our stratified education, as well as offering global e-learning courses. Moreover, once a year, at the "Personnel Labor Management Meeting" for MITSUBA managers, we provide various education according to roles and duties, such as education on the Labor Standards Act, daily labor management, and harassment.

● Initiatives to Prevent Corruption

MITSUBA Group issues and operates the "Anti-Bribery Guidelines" to prevent corruption. These guidelines clarify the behavior required of MITSUBA Group employees, mainly by indicating prohibited acts when interacting with public officials. Moreover, aside from preventing bribery of public officials, the law also calls for thorough implementation of fair transactions with private suppliers. Furthermore, the internal regulations clearly state the penalties for violations of the law.

In FY 2023, there were no cases of fines, terminations or other incidents related to corruption.

Compliance e-learning participants





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Compliance

Initiatives to Strengthen Compliance

- **Prevention of Anti-competitive Behavior**

Regarding the Antitrust Law and the Subcontract Law, MITSUBA Group has established an "Antitrust Law Compliance Manual" and provides regular education to prevent anti-competitive behavior. When MITSUBA Group employees come into contact with competitors, prior application and post-event reporting are carried out, and thorough measures are taken to prevent acts that could be suspected of violating the Antitrust Law. Moreover, the internal regulations clearly state the penalties for violations of the law.

In the FY2023, there were no cases of fines, terminations or other incidents related to anti-competitive behavior.

- **Inspection and Improvement of Activities**

In MITSUBA, a check sheet is used to periodically (once a year) evaluates the effectiveness of our sustainability activities, including compliance. Furthermore, based on Group standards related to sustainability, each Group company conducts a self-evaluation periodically (once a year) using a check sheet. The compliance-related questions in the check sheet are based on compliance items that should be considered in the MITSUBA Group's corporate activities, such as export transactions and intellectual property, in addition to Competition Law and Anti-corruption. Compliance issues within the MITSUBA Group are analyzed based on the results of each Group company's self-evaluation, and these are then used to develop measures to correct and improve the situation.



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Risk Management


MITSUBA Group positions risk management as an important management issue in achieving the Mission Statement of our sustainability policy and aiming for sustainable growth and stability. In order to minimize diverse risks, such as large-scale earthquakes and other natural disasters, spread of infectious diseases, and geopolitical risks, we are committed in enhancing and strengthening our comprehensive risk management.

Promotional System

The MITSUBA Group has established the “Group Compliance and Risk Management Regulations,” which specify the basic matters regarding risk management within the company, in order address potential crises during both normal operations and emergencies. Risk management based on a continuous PDCA cycle is carried out through the ESG Committee, chaired by the Representative Director and Executive Vice President, who also serve as the Risk Management Officers.

Business Risks

Based on the “Group Compliance and Risk Management Regulations”, the MITSUBA Group periodically (once a year) identifies “business risks” related to changing social and environmental issues and evaluates them based on the possibility of occurrence and various degrees of impact. Moreover, we clarify the departments and committees responsible for these risks, plan mitigation measures and instruct their implementation, as well as identify important risks at the ESG Committee and disclose them externally through Asset Securities Reports (*) and other documents.

(*) Asset Securities report 



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Risk Management

Business Continuity Management (BCM)

The MITSUBA Group views the formulation of Business Continuity Plan (BCP) as a priority theme in order to fulfill its obligation to supply products as a company. Therefore, we have established the “BCP Committee” under the “ESG Committee”, a company-wide committee, to develop an appropriate management system and disaster mitigation measures. Moreover, to enhance the effectiveness of BCP, we have established Group Business Continuity Management (BCM) regulations and are appropriately promoting BCM.

Furthermore, we have set up a “Production and Sales Committee” as an organization to handle risks from product production to sales and will identify risks and implement necessary measures from the perspective of stable product supply and disaster prevention.

● Business Continuity Plan (BCP) Activities

MITSUBA has established a BCP Basic Policy and developed a BCP in order to fulfill its responsibility to supply customers even in the event of an emergency such as major earthquake. Moreover, in FY2020, we established a BCP Committee chaired by the Executive Officer in charge of Production and are working to improve and strengthen our BCP. Furthermore, we have established two working groups to develop systems to protect the safety of employees in emergency situations such as disasters, fire prevention and disaster mitigation to minimize damage, and working on considering and implementing proactive measures to address global risks and risks in the supply chain.

<BCP Basic Policy>

1. In the event of a disaster or other emergency, we will prioritize the safety of our employees and their families.
2. We will take preventative measures daily to minimize damage.
3. We will fulfill our responsibility to supply to our customers by continuing our business and restoring production activities as soon as possible.

Governance

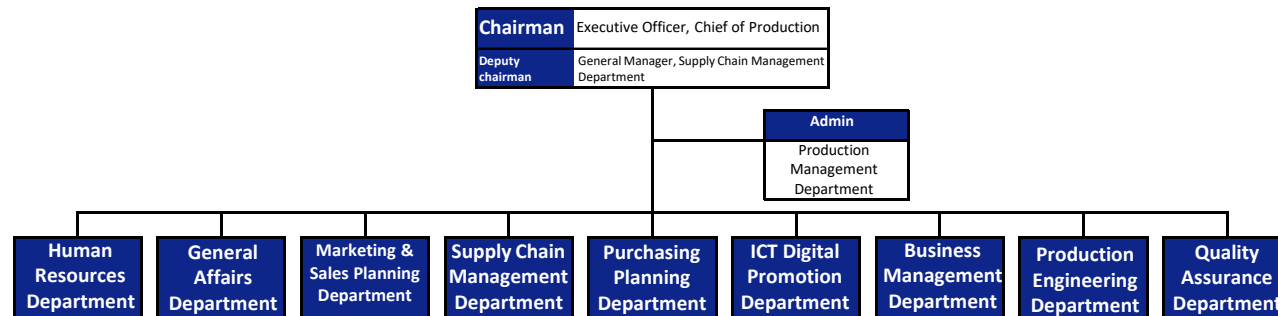
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Risk Management

Business Continuity Management (BCM)

- Business Continuity Plan (BCP) Activities

<BCP Committee Promotion Structures>



- Emergency System

At MITSUBA, if it is determined that an emergency situation that could affect the supply of products to customers has occurred, the Risk Management Officer will activate the BCP and establish a disaster response headquarters. Under the direction of the Chief of the Countermeasures Headquarters, the departments in charge and related departments work together to ensure a swift response.

Moreover, by regularly conducting BCP trainings that simulate an earthquake, we are confirming the effectiveness of our current system and strengthening our business continuity capabilities. Furthermore, based on lessons learned from the trainings, we are revising various procedures and aiming to step up our crisis management system.

Governance

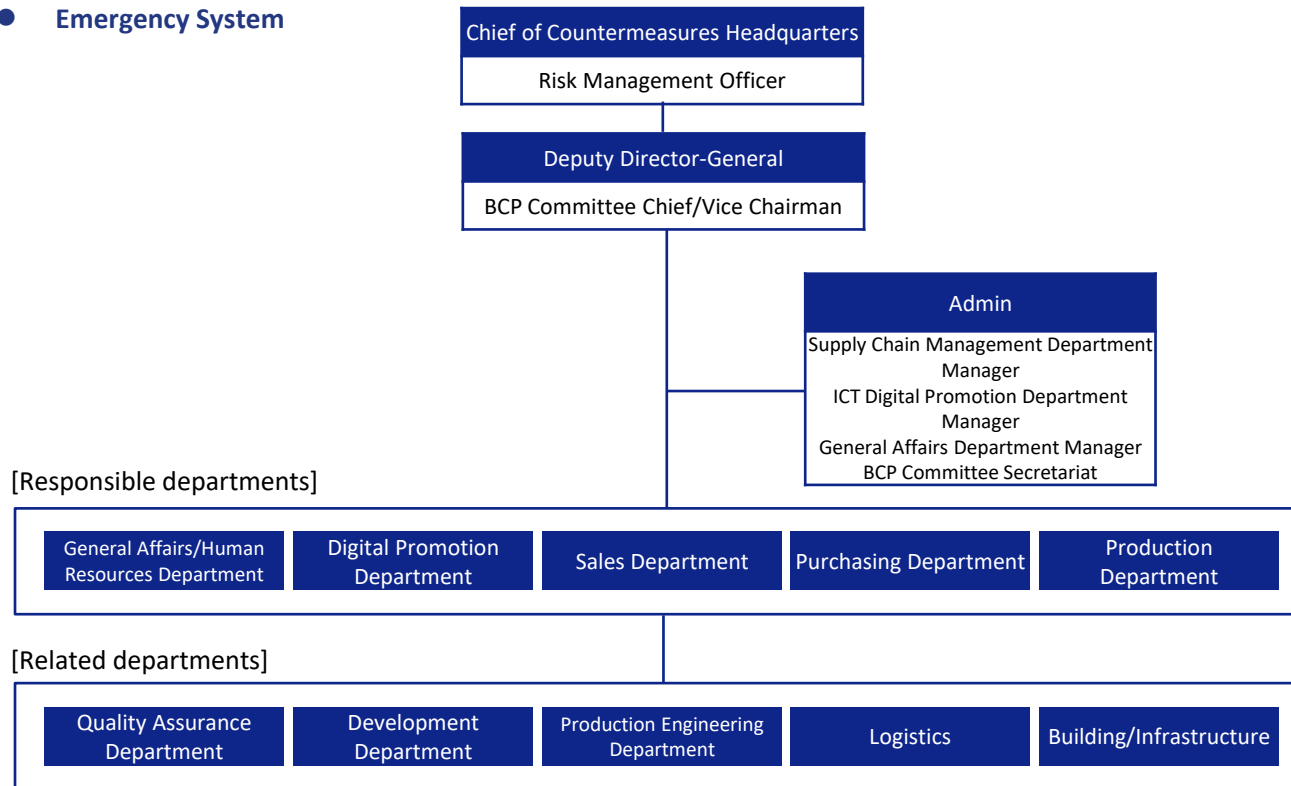
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Risk Management

Business Continuity Management (BCM)

- Emergency System





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Information Security

With rapid digitalization, there is a demand for the utilization of digital data to strengthen competitiveness. Damage caused by cyberattacks is increasing year by year all over the world, and attack methods are becoming more sophisticated.

In such an environment, MITSUBA Group has established the “MITSUBA Group Basic Policy on Information Security” and is working to improve information security by implementing information security measures that consider the cybersecurity risks unique to the automotive industry.

MITSUBA Group Basic Policy on Information Security

MITSUBA Group believes that protecting the information assets (information entrusted to us by customers, development information including intellectual property, etc.) that it handles from intentional or accidental threats is an extremely important responsibility through its management activities centered on the transportation equipment-related business (*1) in order to contribute to the creation of a prosperous automotive society.

MITSUBA Group aims to meet the expectations of society and become a trusted company by protecting information assets in order to achieve “provide pleasure and peace of mind to the people of the world” as stated in our Mission Statement (*2), and to establish the MITSUBA Group Basic Policy on Information Security that we will comply with.

(*1) Transportation equipment-related business: Business centered on electrical components for automobiles, motorcycles, and other vehicles that apply such technologies.

(*2) MITSUBA Mission Statement: Together with those who support it, MITSUBA will provide pleasure and peace of mind to the people of the world by creating technology in harmony with society and the environment.



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Information Security

MITSUBA Group Basic Policy on Information Security

1. Scope

The following applies to information and personnel related to business activities.

- Applies to information assets handled by the MITSUBA Group and information assets entrusted to us by customers.
- Applies to MITSUBA Group executives, employees, and temporary employees.

2. Promotion organization and system

MITSUBA will clarify the organization and responsible person for the promotion and operation of information security management and implement appropriate management of information assets.

3. Compliance with laws and norms

MITSUBA will establish and comply with internal regulations based on laws and various norms related to promoting information security and management.

4. Education and training

MITSUBA will regularly conduct security education according to job duties and operations, will make them aware of the importance of information assets, and will ensure that such assets are properly used.

5. Risk management measures

MITSUBA will take appropriate human, physical, and technical measures against various risks caused by threats such as loss, destruction, falsification, leakage of confidential information, and unexpected service interruption.

6. Continuous improvement

MITSUBA will continuously improve basic policy and related internal regulations.

Governance

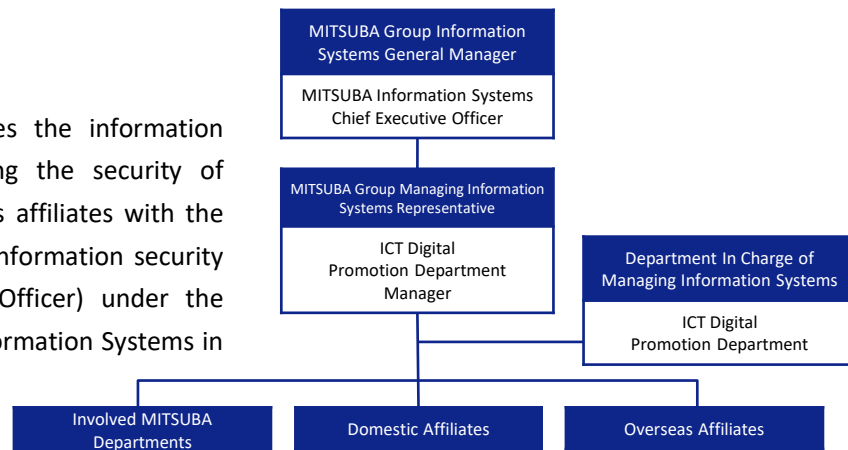
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Information Security

Promotional System

MITSUBA Group manages and operates the information systems of the entire Group, including the security of MITSUBA and its domestic and overseas affiliates with the supervision of the person in charge of information security (Information Systems Chief Executive Officer) under the structure of the “Rules for Managing Information Systems in MITSUBA Group”.



Initiatives to Strengthen Information Security

- **Initiatives for Certification Acquisition**

As part of its initiatives to strengthen information security, MITSUBA began working towards acquiring the TISAX certification (*) in 2023 and underwent the audit.

(*) A system to acquire certification based on the information security evaluation criteria established by the German Association of the Automotive Industry, after being audited by external auditing organizations.

- **Development of Guidelines**

MITSUBA has established the “Group Information Infrastructure Utilization Guidelines” to prevent significant impacts on information assets (especially data), information networks, and information security, and to ensure the appropriate and smooth use of information infrastructure for personnel who handle information of the entire Group, including domestic and overseas affiliates.

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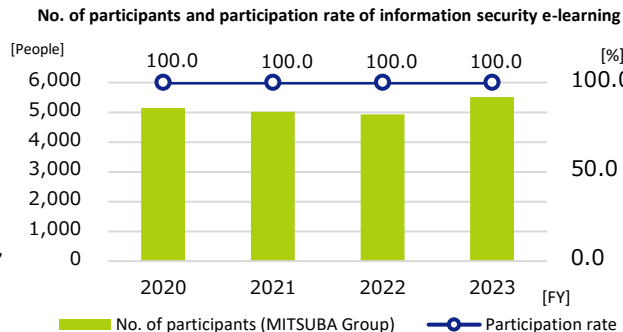


Information Security

Initiatives to Strengthen Information Security

● Information Security Education

MITSUBA regularly conducts information security education through e-learning for personnel who handle information of the entire Group, including domestic and overseas affiliates. In addition to how to use information devices, the educational content includes the need for information leak countermeasures, an introduction to and countermeasures for attack methods that have been increasing in recent years, and initial responses in the event of malware infection, in an effort to raise awareness of information security.



● Security Monitoring

MITSUBA has built an SOC (Security Operation Center) to enable early detection and prompt response to cyber-attacks such as malware and unauthorized access, and we currently operate it. The SOC conducts security monitoring 24 hours a day and 365 days a year, targeting information devices and networks across the entire Group, including domestic and overseas affiliates, and analyzes and responds when anomalies are detected. Moreover, the SOC investigates new information security risks by utilizing websites with computer security information such as the Information-technology Promotion Agency (IPA) and JPCERT/CC (*), as well as the Vulnerability Countermeasure Information Database (JVN). At the same time, the SOC works to raise the level of information security by reducing risks and introducing security tools as necessary.

(*) Abbreviation for Japan Computer Emergency Response Team Coordination Center (JPCERT Coordination Center)



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Information Security

Initiatives to Strengthen Information Security

● Prevention of Information Leakage

MITSUBA implements multi-layered security measures such as anti-virus software, firewalls, and website filtering, and also provides education and conducts awareness activities in order to prevent information leakage due to malware such as ransomware or unauthorized access to internal networks and systems from outside. Moreover, when using external cloud services, we conduct an evaluation using a check sheet before starting to use the service to ensure that it can be used safely.

● Response to Emergencies

MITSUBA, in the event of a serious information security incident, such as the suspension of production due to a cyberattack, established the Disaster Countermeasures Headquarters based on MITSUBA's "Business Continuity Plan (BCP) Regulations" so that management decisions can be made in the event of an emergency, as in the case of a natural disaster such as an earthquake.

Moreover, the Information Systems Business Continuity Plan (IT BCP) and "Information Security Incident Management Regulations" were established based on the plans and procedures to minimize the damage in the event of an emergency, and in order to maintain and improve their feasibility, so targeted attack e-mail trainings and other activities are conducted according to the plan.

Furthermore, we have established CSIRT (*) as an organizational structure that can respond appropriately and promptly in the event a security incident occurs.

(*) Abbreviation for Computer Security Incident Response Team (CSIRT). A general term for an organization that deals with security incidents such as malware infection or unauthorized access.



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Information Security

ICT Digital
Promotion
Department

ICT Engineering
Section

Initiatives to Strengthen Information Security

● Information Security Risk Assessment

MITSUBA conducts a self-evaluation using the check sheet of the Automotive Industry Cybersecurity Guidelines which was jointly formulated by Japan Automobile Manufacturers Association (JAMA) and Japan Auto Parts Industries Association (JAPIA). Similarly, we also provide check sheets to our suppliers and ask them to complete the self-evaluation.

Moreover, we conduct regular information system audits of each department and domestic and overseas affiliates in accordance with regulations to assess and correct risks related to information security and is working to improve the level of information security throughout the Group.

INTERVIEW

We are in charge of cyberattack alerts monitoring, vulnerability countermeasures, and others. Specifically, in relation to alert monitoring, we are simultaneously working on various countermeasures to prevent serious incidents. In FY2023, we established a new CSIRT to prepare actions and priorities in the event of cyberattack. Information security is essential to protect our company. However, strengthening our countermeasures could result in reduced convenience, so we take this balance into consideration when developing countermeasures. Information security threats are becoming more complex and sophisticated. In the future, we would like to not only enhance our strengths, but also actively address our weaknesses and challenges in order to raise the level of our security.



Takahiro Hasegawa and Yuta Tajima
MITSUBA Corporation
ICT Digital Promotion Department,
ICT Engineering Section

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Intellectual Property

MITSUBA aims to be a company that continues to grow by creating and utilizing intellectual property to protect not only its products but also its business.

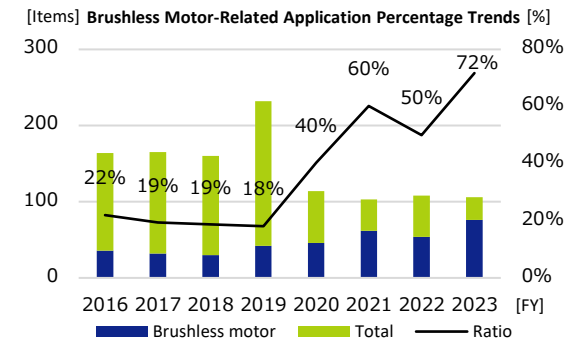
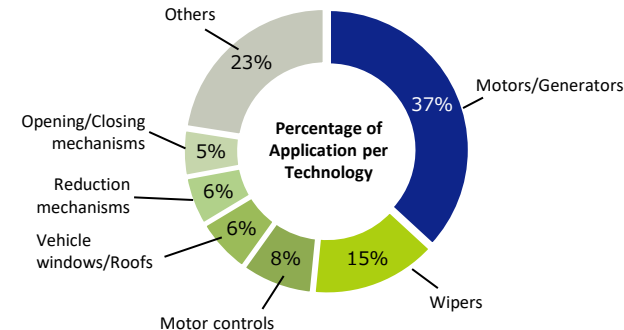
MITSUBA Intellectual Property Policy

To meet the expectations of a diversifying mobility society, MITSUBA expands the scope of its electrification business by creating valuable intellectual property through collaborative use across the company, and by contributing to the realization of a decarbonized society, with optimal solutions protected by intellectual property rights.

Creation of Intellectual Property Value and Response to the Evolution of Mobility

- **Maximizing the Use of IP landscape in Next-Generation Product Development and Creating New Businesses**

MITSUBA will secure a sustainable competitive advantage by protecting its core competency technologies with a patent portfolio. Then, using multilateral analysis of the IP landscape, MITSUBA will maximize the use of its own intellectual property to grow and expand existing businesses, and create and link new businesses by creating innovation.



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Intellectual Property

Understanding the Company's as well as Other Companies' Positioning and Minimizing Intellectual Property Risks

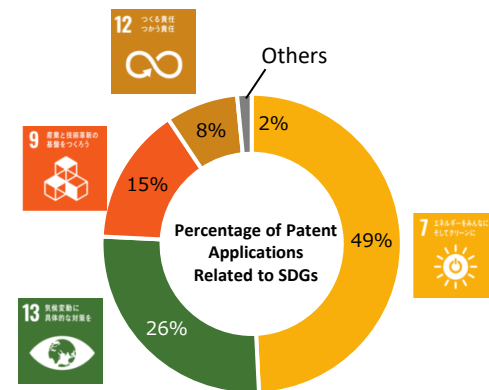
● Building a Patent Guarantee System

MITSUBA understands its own positioning by visualizing its own and other companies' intellectual property information. Moreover, both the intellectual property and the business/development departments collaborate with each other from the early stages of development, aiming to acquire broad and strong patent rights, sharing intellectual property issues early, and minimizing intellectual property risks. We also respect the rights of other companies and respond appropriately.

Fostering a Culture of Intellectual Property

● Utilization of Global Patent Information

MITSUBA cooperates with technical centers at overseas Group companies to collect and analyze global patent information and disseminate information to related departments. Furthermore, by effectively utilizing information, we are able to create and file inventions that are mindful of SDGs.





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Intellectual Property

Fostering a Culture of Intellectual Property

- **Intellectual Property Personnel Education Through Rank-Based Education**

MITSUBA strengthens the reskilling of intellectual property personnel through rank-based education, such as those that are recent hires, those in their second year, and those in the leader ranks.



Training of employees in their second year with the company

INTERVIEW

I am in charge of work related to product patent applications and training of employees in their second year with the company. The technical information required to carry out intellectual property work is highly specialized, and I continue to learn more through dialogue with inventors. In our employee training, I conduct lectures and group work on the patent system with the goal of improving our understanding level. Group work, in particular, provides opportunities for employees to engage with patents and inventions, helping them develop a sense of respect for intellectual property. I hope this training will inspire at least one more inventor to develop a profitable product. Additionally, I am currently entrusted with supporting junior employees. My goal is to pass on what I have learned from my seniors and become a “reliable person.”



Yurie Watanabe
MITSUBA Corporation
Business Management Department,
Intellectual Property Section

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Initiatives Related to Taxation

International tax rules triggered by the Base Erosion and Profit Shifting (BEPS) project by the Organization for Economic Co-operation and Development (OECD) are becoming more complex year by year, and the importance of corporate governance related to taxation is increasing in Japan. MITSUBA Group has established the “Group Tax Management Regulations” and is working to strengthen appropriate tax payment and tax governance on a global basis, and to maintain and improve tax compliance.

MITSUBA Group Basic Tax Policy

Based on the mission statement of “providing pleasure and peace of mind to the people of the world”, MITSUBA Group strives to comply with the tax-related laws and norms of each country and region as well as international rules in order to realize fair business activities, believes that paying taxes is a corporate obligation, and strives to contribute to society through appropriate tax payments.

Promotion System

Under the responsibility of the Chief Financial Officer, the MITSUBA Accounting Department has established a global tax governance system to address tax-related matters. At each Group company, a tax manager appointed by the president of each company is responsible for managing and supervising tax operations and reporting to the MITSUBA Accounting Department.

Promotion of Appropriate Accounting Procedures

In the MITSUBA Group, we conduct education and awareness activities to ensure that each employee is aware that complying with tax laws and rules is the best way to minimize tax risks and increase corporate value, and to ensure tax compliance. Moreover, in order to confirm the results of appropriate accounting procedures, accounting audits are regularly conducted by external organizations at all Group companies.



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Initiatives Related to Taxation

Promotion of Appropriate Accounting Procedures (Specific Initiatives)

● In-house Education on Invoice System

The Accounting Department provided education for relevant employees in preparation for the implementation of the invoice system in October 2023. We held meetings for accounting staff, all company accounting personnel responsible for invoice processing, etc., including sales and purchasing staff to improve employees' tax knowledge. For domestic Group companies, we held meetings about the Group Action Policy and the invoice system implementation of the common accounting system.



Actual explanatory material

INTERVIEW

We are in charge of domestic taxation, mainly in paying corporate and consumption taxes, and holding internal meetings when laws are revised. In FY 2023, we held a meeting on the invoice system for all employees. To ensure that employees understand and act on things that they need to do to comply with the law, we avoid using technical terms in the meeting materials and write it in the language that would be easy for employees involved in the work to understand. Since taxation requires specialized knowledge, we have to study hard every day. Despite that, we feel that it is very rewarding to know that employees from various departments rely on us and we are able to help them deepen their understanding through our explanations. We believe that it is our role to continue contributing to legal compliance through these activities in the future.



Akari Ubukata and Makiko Kobayashi
 MITSUBA Corporation
 Accounting and Finance Department,
 Accounting and Corporation Tax Section



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Initiatives Related to Taxation

Response to Tax Risks

MITSUBA has established reporting lines from each MITSUBA Group company to collect information on tax risks. Highly important matters are reported to the Management meeting based on the judgment of the Chief Financial Officer.

Moreover, MITSUBA is working to reduce tax risks by providing advice from experts and confirming with tax authorities.

Optimization of Tax Burden

MITSUBA Group appropriately and effectively uses reduction measures and strives to optimize tax burden but does not engage in tax reduction by interpreting or applying them in manners deviating from the intent of laws and norms. Moreover, we do not engage in tax avoidance using tax havens and so on.

Relationship with Tax Authorities

MITSUBA Group strives to ensure proper filing of tax returns and reduce tax risks by building and maintaining good relationships with the tax authorities of each country and checking with the tax authorities in advance if necessary.

Transparency

MITSUBA Group discloses important tax-related matters to stakeholders in a timely manner.

Moreover, the IR personnel in the accounting department provides sufficient information and answers to tax-related questions from stakeholders.



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126 Society / Human Resources Related Data

130 Governance-related Data

Data Collection

MITSUBA Group
Sustainability Report

2024



MITSUBA

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Environment-related Data

Unless otherwise specified, the figures and information are as of the end of each fiscal year (March 31st) or for the full year (April 1st to March 31st of the following year). In addition, consolidated in environment-related data refers to MITSUBA and production site Group companies.

			Range	Unit	2020	2021	2022	2023
Reduction of greenhouse gas emissions	Greenhouse gas emissions	Scope 1 *1	Consolidated	t-CO ₂	12,101	12,442	11,163	11,704
		Scope 2 *2	Consolidated	t-CO ₂	137,701	141,030	136,214	139,000
		CO ₂ emissions (Scope 1+Scope 2)	Consolidated	t-CO ₂	149,802	153,472	147,377	150,703
		CO ₂ emissions (Scope 3) *3	Consolidated	t-CO ₂	-	-	1,805,309	1,869,479
		CO ₂ emissions (Scope 1+Scope 2+Scope 3)	Consolidated	t-CO ₂	-	-	1,952,686	2,020,183
		Emissions of Ozone-depleting Substances (ODS) *4	Consolidated	-	-	-	-	-
		Emissions of NOx and SOx *5	Consolidated	-	-	-	-	-
Energy efficiency	Total energy input amount	Electric power	Consolidated	T.J.	928	945	909	924
		Kerosene	Consolidated	T.J.	16	14	12	13
		LPG	Consolidated	T.J.	14	13	11	11
		City gas	Consolidated	T.J.	51	53	48	52
		Natural gas	Consolidated	T.J.	165	177	157	168
		Diesel	Consolidated	T.J.	13	12	12	10
		Solar power generation	Consolidated	MWh	2,742	2,708	2,640	2,840

*1 Scope 1: MITSUBA Group's direct emissions of greenhouse gases (combustion of fuel), calculated using the GHG Protocol emission factor.

*2 Scope 2: Indirect emissions associated from the use of electricity supplied by other companies, calculated using the CO₂ emission coefficient for each electric power company or the IEA (International Energy Agency) coefficient for each country.

*3 Scope 3 : Other indirect emissions covering the company's upstream and downstream processes, excluding Scope 1 and Scope 2.

The calculation method for each category is as follows.

Category 1: Calculated by multiplying the procurement amount of the Group's raw materials, standard parts, and processed parts by the "Basic Guidelines for Calculating Greenhouse Gas Emissions throughout the Supply Chain" coefficient.

Category 2: Calculated by multiplying the Group's total investment in facilities, etc. by the "Basic Guidelines for Calculating Greenhouse Gas Emissions throughout the Supply Chain" coefficient.

Category 3: Calculated by multiplying the Group's electric power consumption by the "Basic Guidelines for Calculating Greenhouse Gas Emissions throughout the Supply Chain" coefficient.

Category 4: For domestic, calculated by multiplying the transport weight and distance by the "Basic Guidelines for Calculating Greenhouse Gas Emissions throughout the Supply Chain" coefficient. For overseas sites, the Group's CO₂ emissions are estimated by multiplying the transport weight and distance by the GHG protocol coefficient.

Category 5: Calculated by multiplying the amount of waste generated by the Group by the "Basic Guidelines for Calculating Greenhouse Gas Emissions throughout the Supply Chain" coefficient.

Category 6: Calculated by multiplying the number of Group employees by the "Basic Guidelines for Calculating Greenhouse Gas Emissions throughout the Supply Chain" coefficient.

Category 7: Calculated by multiplying the number of Group employees by the "Basic Guidelines for Calculating Greenhouse Gas Emissions throughout the Supply Chain" coefficient.

Category 11: Calculated by using Japan Automobile Parts Industries Association LCI data calculation tool (use stage).

*4 As a result of measurement, only trace amounts of emissions were confirmed, so they are not counted.

*5 There are no emissions within our Group.

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Unless otherwise specified, the figures and information are as of the end of each fiscal year (March 31st) or for the full year (April 1st to March 31st of the following year). In addition, consolidated in environment-related data refers to MITSUBA and production site Group companies.

			Range	Unit	2020	2021	2022	2023
Resource recycling	Water resources	Water Intake	Consolidated	Mℓ	1,158	1,376	1,240	1,247
		Wastewater	Consolidated	Mℓ	695	826	747	751
		Water consumption	Consolidated	Mℓ	463	550	493	495
		Water pollutant volume (BOD) *6	Consolidated	t	1.6	1.2	0.7	0.9
	Natural resources	Iron	Individual	t	25,568	30,240	28,121	29,460
		Copper	Individual	t	3,603	3,391	3,425	3,422
		Aluminum	Individual	t	3,511	3,414	3,148	3,295
		Other metal	Individual	t	39	42	44	68
		Resin	Individual	t	6,188	5,232	5,337	4,589
	Emissions	Amount of waste generated	Consolidated	t	49,507	51,875	50,570	50,375
Amount of hazardous waste generated		Consolidated	t	2,971.11	2,821.05	2,682.76	1,816.4707	
Amount of non-hazardous waste generated		Consolidated	t	46,536	49,054	47,888	48,558	
Amount of waste recycled		Consolidated	t	46,536	49,054	47,888	48,558	
Waste recycling rate		Consolidated	%	94	95	95	96	

*6 Scope: MITSUBA and domestic production Group companies

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130 Governance-related Data

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Unless otherwise specified, the figures and information are as of the end of each fiscal year (March 31st) or for the full year (April 1st to March 31st of the following year).

		Range	Unit	2020	2021	2022	2023		
Employee data	No. of employees	Male	Individual Person	2,661	2,487	2,443	2,408		
		Female	Individual Person	965	813	793	797		
		Total	Individual Person	3,626	3,300	3,236	3,205		
Gender ratio		Male	Individual %	73.4	75.4	75.5	75.1		
		Female	Individual %	26.6	24.6	24.5	24.9		
Consolidated No. of employees		Total	Consolidated Person	26,126	24,341	23,260	22,665		
No. of employees by generation		Below 30 years old		Male	Individual Person	666	576	433	389
		Female	Individual Person	313	275	307	274		
30 - 39 years old		Male	Individual Person	751	681	573	548		
		Female	Individual Person	82	93	134	163		
40 - 49 years old		Male	Individual Person	874	767	613	595		
		Female	Individual Person	230	185	112	93		
50 - 59 years old		Person	Individual Person	913	729	700	709		
		Female	Individual Person	231	200	230	247		
60 years old and over		Male	Individual Person	143	116	124	167		
		Female	Individual Person	20	11	10	20		
Average age		Male	Individual Age	41.0	41.7	42.5	43.3		
		Female	Individual Age	35.4	37.1	38.0	38.9		
Average length of service		Male	Individual Year	17.6	18.3	19.0	19.8		
		Female	Individual Year	13.5	15.4	16.2	16.7		
Wage difference between male and female		All employees		Individual %	-	-	71.5	71.7	
		Regular employees		Individual %	-	-	71.4	71.3	
		Part-time/fixed-term employees		Individual %	-	-	68.7	79.9	
Turnover rate				Individual %	-	-	-	3.0	
No. of temporary employees		Male	Individual Person	156	155	98	60		
		Female	Individual Person						
No. of foreign employees *1		Male	Individual Person	9	7	13	14		
		Female	Individual Person	6	6	12	11		

*1 Excluding trainees in technical internship, including intra-company transfers

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Society / Human Resources Related Data

Unless otherwise specified, the figures and information are as of the end of each fiscal year (March 31st) or for the full year (April 1st to March 31st of the following year).

		Range	Unit	2020	2021	2022	2023
Employee data	No. of employees with disabilities	Male	Individual Person	33	33	23	24
		Female	Individual Person	12	11	6	6
	Employment rate of PWDs		Consolidated %	2.37	2.42	3.42	2.63
	Reemployment rate after retirement		Individual %	69.4	87.9	92.5	89.8
	Management level ratio	Ratio of female managers Among department managers or higher	Individual %	-	-	1.5	1.7
			Individual %	-	-	0	0
	Officers (including Executive Officers)	Male	Individual Person	-	-	29	29
			Individual Person	-	-	1	1
			Female ratio Individual %	-	-	3.3	3.3
		Among executives, managing officers	Male	Individual Person	-	-	21
Female			Individual Person	-	-	0	0
Female ratio Individual %			-	-	0	0	
New graduates	University graduate/Master's degree or higher	Male	Individual Person	27	11	13	11
		Female	Individual Person	5	4	2	2
		Total	Individual Person	32	15	15	13
	Junior college/specialized	Male	Individual Person	0	0	0	0
		Female	Individual Person	0	0	0	0
		Total	Individual Person	0	0	0	0
	High school graduate/others	Male	Individual Person	41	14	26	13
		Female	Individual Person	25	7	13	15
		Total	Individual Person	66	21	39	28
	Retention rate after 3 years *2	Male	Individual Person	57	-	-	-
		Female	Individual Person	25	-	-	-
		Total	Individual Person	82	-	-	-
Total		Individual %	83.7	-	-	-	

*2 Regular employees who entered the company at the beginning of each term (April 1) and are still employed at the beginning of the term (April 1) after three years

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Unless otherwise specified, the figures and information are as of the end of each fiscal year (March 31st) or for the full year (April 1st to March 31st of the following year).

			Range	Unit	2020	2021	2022	2023	
Employee Data	Mid-career hires	University graduate/Master's degree or higher	Male	Individual Person	9	4	12	5	
			Female	Individual Person	1	0	1	3	
			Total	Individual Person	10	4	13	8	
		Non-college graduate	Male	Individual Person	17	5	3	2	
			Female	Individual Person	1	0	1	1	
			Total	Individual Person	18	5	4	3	
Work-life balance	No. of employees taking maternity leave			Individual Person	34	28	17	31	
	No. of employee taking childcare leave *3 *4 Acquisition period is within one week	Male	Individual Person	8	10	13	26		
		Female	Individual Person	1	2	2	0		
		Total	Individual Person	44	37	12	30		
	Childcare leave returning rate *5 Acquisition period is within one week	Male	Individual %	10.39	15.87	27.70	54.20		
		Female	Individual %	1.3	3.2	4.3	0.0		
		Total	Individual %	100	100	100	100		
	Childcare leave returning rate *6			Individual %	100.0	97.8	100.0	100.0	
	No. of employees taking daycare leave			Individual Person	1	1	1	2	
	Annual paid leave	No. of days granted *7			Individual Day	18.6	19	19.1	19.5
		No. of days acquired			Individual Day	10.4	10.1	13.8	13.8
		Acquisition rate *8			Individual %	56	53.2	72.3	70.8
	Annual average working hours per employee			Individual Hours	-	-	-	2,223	
	Monthly average overtime hours per employee			Individual Hours	15.5	5.1	9.5	10.1	
	Monthly average overtime allowance per employee			Individual JPY	-	-	15,700	23,258	
Work from home rate *9			Individual %	-	5.0	7.0	12.3		

*3 If there is even one day of childcare leave in that term, the number is counted as one person.

*4 If there is even one day of childcare leave in that term, the number is counted as one person, excluding the number of people on maternity leave.

*5 The denominator is the No. of employees with children

*6 Number of employees who returned to work after childcare leave / Number of employees who were scheduled to return to work after childcare leave x 100

*7 Employees with more than 7 years of service

Average number of new annual paid vacation leaves granted each year

*8 Number of days of paid vacation leaves taken by all employees (including carryover) / Number of paid vacation leaves granted by the company to all employees (not including carryover)

*9 No. of employees who took leave for one day or more / No. of employees x 100

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		Range	Unit	2020	2021	2022	2023	
Health and safety / occupational health and safety	Rate of regular health checkup *10		Individual %	98.8	99.5	99.8	100	
	Rate of positive findings in regular health checkup		Individual %	73.3	75.0	67.8	77.1	
Occupational accidents	Rate of undergoing stress check		Individual %	97.6	97.9	98	98.9	
	Occurrence status of occupational accidents	No. of occupational accidents	*11 Individual Count	9	6	4	11	
			Consolidated Count	23	13	15	15	
	No. of serious accidents		*11 Individual Count	0	0	0	0	
			Consolidated Count	0	0	0	0	
	No. of fatal accidents		*11 Individual Count	0	0	0	1	
			Consolidated Count	0	0	0	1	
	Work-related injury or death: Frequency rate		*11 Individual %	0.1365	0.1553	0.0000	0.0160	
			Consolidated %	0.4404	0.1219	0.2530	0.0682	
	Work-related injury or death: Frequency rate		*11 Individual %	0.0083	0.0005	0.0000	0.0018	
		Consolidated %	0.0051	0.0005	0.0056	0.0036		
No. of employees on leave/long-term leave	Mental health disorder *12		Individual Person	40	52	43	36	
	Illnesses other than mental health *12		Individual Person	67	59	39	28	
Human resources development	Training hours per employee		Individual Hours	7.5	9.1	10.4	18.1	
	Training costs per employee *13		Individual x10,000 JPY	0.8	0.6	1.0	1.6	
	Status of participation in various training programs	Career or skills training *14		Individual %	100	100	100	96.3
		Environment-related training (e-learning) *15		Consolidated %	99.5	98.8	99.0	98.6
		Training on compliance (e-learning)		Consolidated %	99.5	98.8	97.1	98.3
		Training on information security including protection of personal information (e-learning) *15		Consolidated %	100	100	100	100

*10 Excluding employees on leave

*11 Scope: MITSUBA and domestic production Group companies

*12 Long-term absentees of one month or more (counted as one employee)

*13 Training fee per person (annual)

*14 The calculation method was changed from 2023.

*15 Scope: MITSUBA and domestic Group companies

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Governance-related data

Unless otherwise specified, the figures and information are as of the end of each fiscal year (March 31st) or for the full year (April 1st to March 31st of the following year).

		Range	Unit	2020	2021	2022	2023
Compliance	Existence or non-existence of a whistleblowing system	-	-	Establishment of "MITSUBA Comprehensive Consultation Desk"			
	Establishment of external consultation desks	-	-	Establishment of an external consultation (law firm) as one of the "MITSUBA Comprehensive Consultation Desk"			
	No. of uses of MITSUBA Comprehensive Consultation Desk	Consolidated	Count	2	6	15	24

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