

YAZAKI GROUP

SUSTAINABILITY REPORT

2024



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Priority Issue

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Report Outline

Editorial policy

Since fiscal year 2002, the Yazaki Group has continuously published a CSR Report* to disclose information about company activities aimed at achieving a sustainable society and raise awareness among its employees. Since fiscal year 2023, this report has been issued as the Sustainability Report. This report outlines the Yazaki Group's initiatives and outcomes from the past year, guided by our Sustainability Policy, established in August 2024, and aligned the priority sustainability issues reviewed in 2023. Additionally, based on the Sustainability Story developed in August 2024, the report explains in clear terms why and how the Yazaki Group is dedicated to sustainability. We hope this report will help to deepen understanding of the Yazaki Group's sustainability efforts.

* Published as an Environmental Report in 2002 and as a Social & Environmental Report between 2003 and 2016

Reporting period

This report conveys the details of activities carried out by the Yazaki Group in fiscal year 2023* (June 21, 2023, to June 20, 2024).

* Clarification will be provided when reporting periods differ



Note: The Yazaki Group's fiscal year extends from June 21 of a given calendar year to June 20 of the following calendar year.

Organizations covered

Yazaki Corporation and consolidated companies in Japan and overseas

Corporate Policy

A Corporation in Step with the World A Corporation Needed by Society

Fundamental Management Policy

In fulfilling our Corporate Policy, Yazaki Group activities are founded upon the following principles:

1. Increase company efficiency and provide the most value to our customers worldwide through continuous effort and the implementation of new concepts.
2. Uphold the law, respect regional cultures, and contribute to economic and social development.
3. Contribute to a prosperous future society through business focused on the environment and security.
4. Conduct business openly and fairly, and aim for coexistence and co-prosperity.
5. Care for people by creating a corporate culture that prioritizes individuality and team-work, while empowering people's dreams.

Yazaki Spirit



Foresight Service Mind Fortitude

The dreams and principles of our founder, as well as the thinking and spirit of many of those who came before us—those who inherited their legacy and proceeded to lay the foundation for the Yazaki Group—have been consolidated into three points that have been passed down as part of the backbone of employees of this group.

Reporting cycle

Published annually

Guidelines consulted

Global Reporting Initiative (GRI) Standards

Indication of organization responsible for each activity

Yazaki Corporation and consolidated companies in Japan and overseas are referred to as the Yazaki Group. As for activities conducted by other organizations, the responsible organization is specified in each instance.

CSR Communication Book

We published the CSR Communication Book in November 2020. It provides information on our ideas and values toward the promotion of CSR, as well as our business and initiatives based on these ideas and values.



Website

The PDF version of this report, the GRI Standards Comparison Table, and other information on CSR and sustainability are available on our website. Please visit the website together with this report.

| **WEB** | **Sustainability**
<https://www.yazaki-group.com/en/csr/>



| **WEB** | **CSR Communication Book**
https://www.yazaki-group.com/file/csr-communication_01_1.pdf

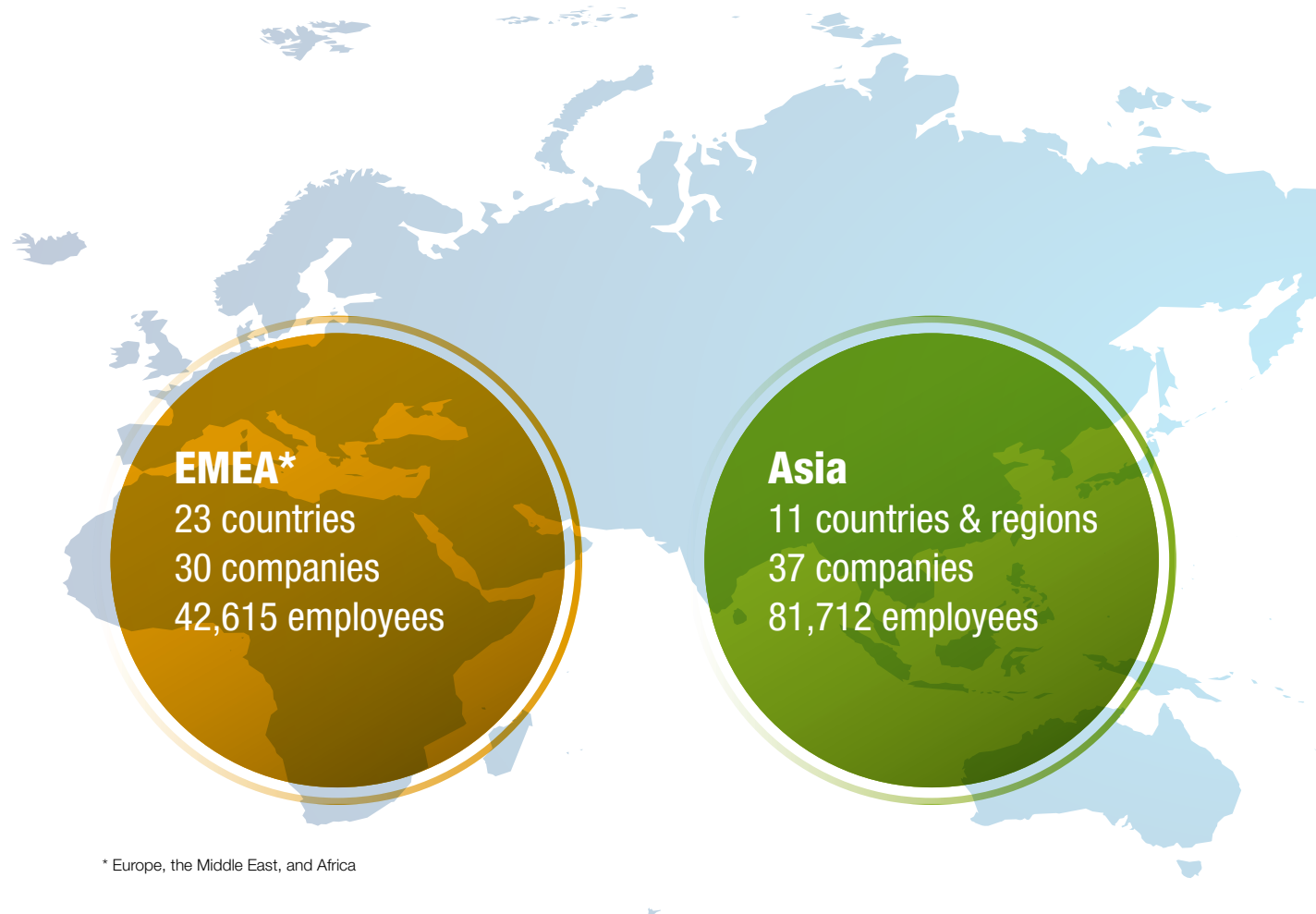


Operating in 46 countries and regions around the world with approximately 230,000 employees

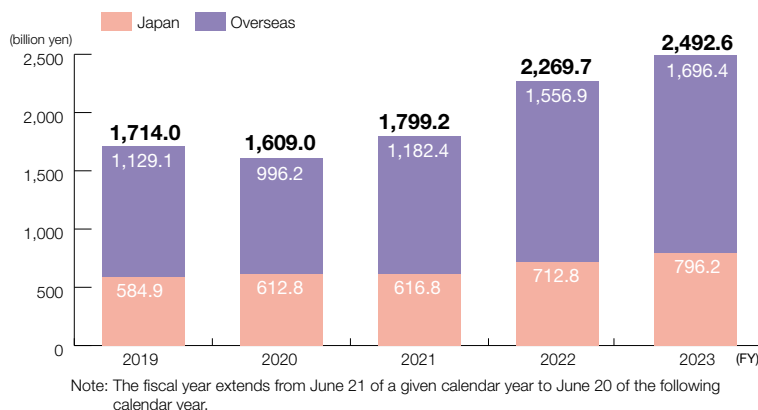
Expanding a global network

From 1960

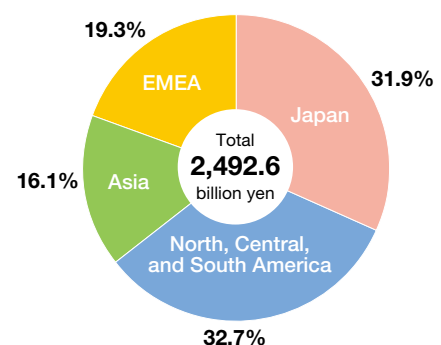
- Thailand (1962)
- U.S.A. (1964)
- ★ Australia (1965)
- ★ Switzerland (1966)
- Taiwan (1968)
- Philippines (1973)
- United Kingdom (1980)
- Mexico (1982)



● Consolidated Net Sales

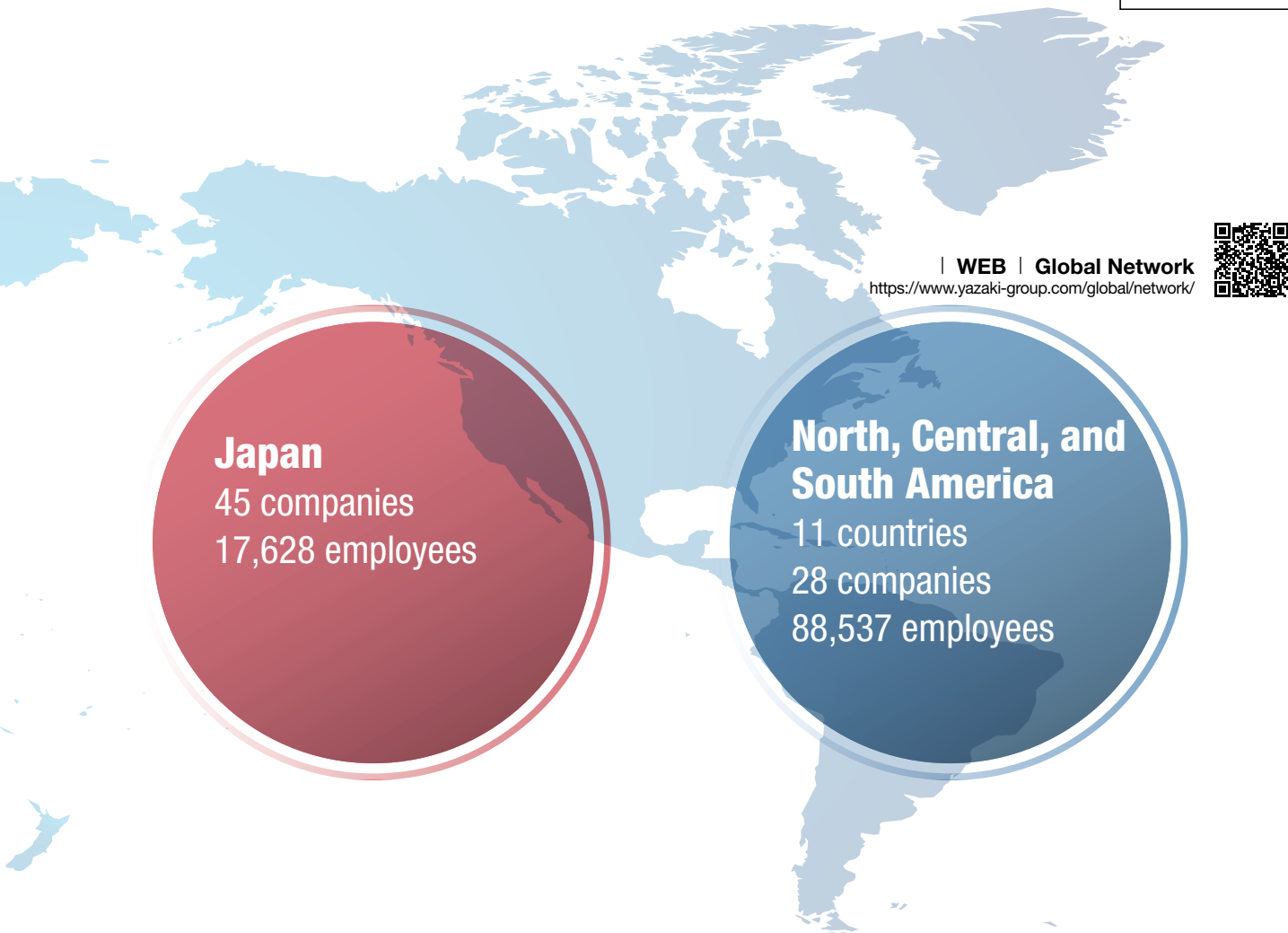


● Breakdown of Consolidated Net Sales by Region (FY2023)



Among countries in the timeline, there is no longer a site in the countries with "★."

From 1990	From 2000	From 2010
Portugal (1986) ★ New Zealand (1986) Canada (1987) Sweden (1988) China (1988) West Germany (1988) Present: Germany Spain (1988) Indonesia (1989)	Italy (1991) ★ Western Samoa (1991) Present: Samoa Belgium (1991) Slovakia (1994) Singapore (1995) Turkey (1995) Vietnam (1995) Colombia (1995) Argentina (1995) India (1997) Brazil (1997) ★ Netherlands (1999) France (1999) Croatia (1999)	Morocco (2000) Nicaragua (2001) ★ Lithuania (2001) Czech Republic (2001) Ukraine (2002) Romania (2003) Uruguay (2005) El Salvador (2006) Bulgaria (2006) South Africa (2006) Tunisia (2009) South Korea (2009) Poland (2011) Cambodia (2012) Russia (2012) Slovenia (2012) Paraguay (2013) Serbia (2016) Myanmar (2019) Guatemala (2022) Egypt (2023)



Company Overview

Company name Yazaki Corporation
Established October 8, 1941
Representative Riku Yazaki, President
Address **Headquarters**
7th Floor, W Building, 1-8-15 Konan,
Minato-ku, Tokyo 108-0075, Japan
World Headquarters (Y-CITY)
Mishuku 1500, Susono City, Shizuoka
Prefecture 410-1194, Japan
Capital 3,191.5 million yen
(Yazaki Corporation is an unlisted company.)
Major Yazaki Group companies in Japan
Yazaki Meter Co., Ltd. (established in 1950)

Yazaki Parts Co., Ltd. (established in 1959)
Yazaki Energy System Corporation*1
Number of Yazaki Group companies*2
Total of 140 companies (Japan/overseas)
Number of employees in the Group*2, 3
Total of 230,492 employees (Japan/overseas)

*1 Established as Yazaki Electric Wire Co., Ltd. in 1963 and changed its name in 2012

*2 Yazaki Corporation and consolidated subsidiaries in Japan and overseas. Excludes equity-method subsidiaries, subsidiaries excluded from the scope of consolidation, affiliated companies, and related incorporated foundations. The aggregation method was changed to the method above in fiscal year 2018.

*3 Includes permanent employees, associate employees, accepted assigned employees, and reemployed persons. Accepted assigned employees excludes those who have been assigned from the Group to outside the Group, but includes those who have been assigned to the Group from outside.

Connecting cars, people's lives, and society through products and services

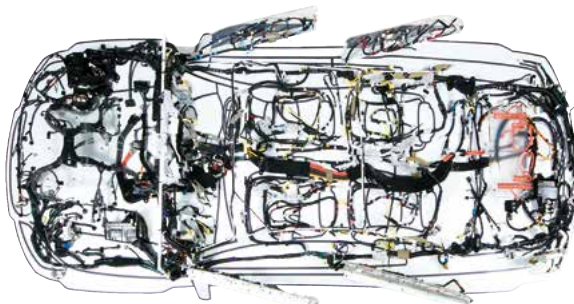
—CONNECT to the Future—

Connecting Cars

We provide a wide range of products with a focus on wire harnesses (assemblies of electric wires), which function as the nervous system or blood vessels of a vehicle, meters, and other devices that support car electronics.

Low Voltage Wire Harnesses / Components

Wire harnesses, which are assemblies of electric wires, run throughout the car and carry electrical power and signals to the electronic equipment in a vehicle.



Low voltage wire harnesses



Semiconductor relay modules

High Voltage Wire Harnesses / Components

With the shift to electric vehicles on the rise, there is a growing need to supply electrical power at high voltages and currents. High voltage wire harnesses address issues such as heat and noise generation, enabling the safe supply of electrical power.



High voltage wire harnesses



Smart junction block

Car Meters

Our meters, with excellent readability and well-thought-out design, bring safety and security to drivers and enhance driving pleasure.



Full-graphic meter

General Transportation Equipment

We are contributing to traffic accident prevention and environmental conservation through the provision of products and services that support safe and eco-friendly driving.



YDX-8, an integrated driving recorder and digital tachograph



Arofriend 27,
a network-enabled taxi meter



Cloud-based operation
management system

Connecting People's Lives

We provide products and services that can optimize the use of diverse forms of energy including electricity, gas, and solar heat.

Electric Wires

We provide lead-free general cables, environmentally friendly ecology cables, and halogen-free cables. Additionally, we were the first in the industry to acquire the Eco Leaf environmental label.



Yawaraka (Moldable) cable



Yazaki Slim Branch branch cable

Gas Equipment

We provide various gas devices such as gas meters and gas alarms that assure our customers' safety and security.



Arokko LP gas alarm



Ultrasonic gas meter



LPWA wireless equipment

Air-Conditioning Equipment

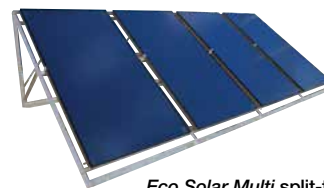
Our absorption chiller-heaters that utilize waste heat and renewable energy are environmentally friendly air-conditioning systems.



Bio-Aroace wood pellet-fired absorption chiller-heater

Solar Thermal Equipment

We leverage the solar heating technology we have built up over many years and provide solar heating products for household and commercial use that meet customers' needs.



Eco Solar Multi split-type solar water heating system



Connecting Society

In addition to providing products and services that help solve regional issues and advance environmental considerations, we actively take on the challenge of providing new services that utilize big data such as mobility data.

Nursing

We operate a community-based nursing care program.

"Kami Fusen" Yazaki Care Center



Environment & Recycling

We contribute to conservation of the environment through a business involving the recycling of wastepaper.



Paper foam cushioning material

Agriculture

We run a community-based agricultural business for cultivating local specialties such as vegetables and other types of produce.



Greenhouse tomato cultivation

AI Digital

We provide a solution that supports safe driving for transportation companies based on the data obtained from digital tachographs. We aim to create a safe and secure society free from traffic accidents.

AI safe driving solution



TRUE SAFE



Message from the President

Identifying the essence of sustainability and contributing to the happiness of stakeholders

Riku Yazaki

Riku Yazaki
President, Representative Director
Yazaki Corporation

Building Our Sustainability on the Foundation of the Yazaki Group Corporate Policy

In the Yazaki Group (hereinafter, “Yazaki”), we have long been committed to advancing initiatives that bring our Corporate Policy to life—being “A Corporation in Step with the World” and “A Corporation Needed by Society.” This philosophy is at the core of our approach to sustainability.

A company’s survival becomes challenging if it no longer meets a social need. Yazaki believes that by staying true to our Corporate Policy and continually reassessing our social relevance, we can ensure our long-term existence and create meaningful value for all stakeholders.

Through our core business of wire harnesses, as well as products such as electronic equipment, gas equipment, electrical cables, and a variety of services, Yazaki consistently delivers diverse value to our customers. By doing so, we generate social value and work toward realizing our Corporate Policy—the very foundation of our sustainability.

Toward the Practice of Autonomous Sustainability

In recent years, companies have been called upon to go beyond traditional CSR and embrace “autonomous sustainability,” focusing on how to utilize limited energy and resources while being mindful of the environment and ensuring business continuity. Since taking office as President in 2022, I have become increasingly aware of the need for this shift, particularly through dialogue with stakeholders.

Sustainability is not only a passive response to societal demands; it is based on the idea of pursuing both the sustainable development of society and the long-term growth of the company. As part of our autonomous efforts, it is essential to carefully understand and address the demands of society and our stakeholders, while simultaneously taking concrete steps to ensure the company’s continuous growth. Failing to do so may diminish the company’s social role and undermine its purpose of existence.

To clarify these concepts and establish a clear direction for Yazaki’s future existence and growth as a company, we have formulated a Sustainability Policy to define our goals as a business. We have also created a “Sustainability Story” to clearly express why Yazaki is committed to sustainability, as well as our mindset and approach to these activities in an easily understandable way.

Approach to Monozukuri and Kotozukuri

In our Sustainability Story, we emphasize that “The Yazaki Group will leverage industry-leading Monozukuri and Kotozukuri with AI and digital technology to contribute to safe, secure, and comfortable mobility and to optimize energy supplies.” Through this, we aim to support the widespread adoption of safe, secure, and comfortable mobility, as well as the optimal supply of energy, by creating diverse products and services. At the core of this effort is our strong commitment to accurately identifying the intangible values our customers seek and providing them in a uniquely Yazaki way. We consider it our mission to deeply understand what our customers truly need and respond with the most appropriate solutions.

Focusing solely on delivering current products and services in the face of daily business pressures will not enable sustainable growth as a company. As the social environment and infrastructure undergo significant changes, we must sometimes return to basic, fundamental values and reflect on whether our current activities are truly aligned with societal perspectives. It is essential to engage in continuous self-reflection to ensure that our efforts are on the right track.

One example of offering products and services through the combination of Monozukuri and Kotozukuri is our AI-driven digital services that utilize data from tachographs and drive recorders for operation management. By integrating various technologies like AI into traditional equipment, we analyze data to reduce traffic accident rates, which in turn lowers insurance premiums. This solution not only addresses customer concerns but also contributes to solving social issues. Furthermore, by collaborating with insurance companies and financial institutions, we are offering this service via subscription models, aiming for even greater adoption and a stronger contribution to society.

Efforts Toward Decarbonization and Carbon Neutrality as a Global Company

As a global company operating in 46 countries and regions, Yazaki recognizes the significant societal impact of decarbonization and carbon neutrality. We are advancing various initiatives, including enhancing the environmental consideration of our products and improving energy management in our factories.

One new initiative focused on environmentally friendly products is the use of recycled resin in connectors for wire harnesses. Developed in collaboration with a materials manufacturer, this new material maintains the same level of quality stability as traditional products while reducing CO₂ emissions during material production by approximately 18%.

At our factories, we have installed solar panels on the roofs, not only to supply power for our own operations but also to provide electricity to other business locations through a Power Purchase Agreement (PPA)*. Domestically, at our Hamamatsu Factory, we use the power generated by solar panels for our operations and supply surplus electricity generated on holidays to the nearby Tenryu Factory, which requires power even on holidays, helping reduce electricity costs and CO₂ emissions. We plan to implement similar initiatives at our overseas locations in the future.

* A contract to purchase electricity generated by third-party renewable energy facilities installed either on-site or off-site.

Remaining a Company Where People Grow

In fiscal year 2024, we have introduced a new theme to our president's policy—to remain a company where people grow. Since our founding, Yazaki has consistently

emphasized that people are our greatest asset, and this belief remains unchanged today. It is crucial for us to thoroughly consider how to make the most of our most important asset—our employees—while ensuring they have meaningful work and a supportive environment for ongoing growth.

To achieve this, we will focus on strengthening the relationship between the organization and its employees through activities that enhance psychological safety, fostering the development of individuals who can adapt to societal and generational changes. Yazaki's employees come from diverse backgrounds in terms of gender, age, nationality, and more, and we view this diversity as a strength. As such, our efforts to promote diversity are also key to achieving sustainable growth. We will continue to advance the creation of organizations, systems, and infrastructures that allow employees to demonstrate their abilities in their respective roles by embracing diversity.

Yazaki has colleagues from various cultures across 46 countries and regions, yet the values embedded in our Corporate Policy and the culture we seek to pass on are shared by all employees and remain fundamental to us. For example, to deepen the understanding of Yazaki among employees' families both domestically and internationally, we have restarted the Yazaki Summer Camp after five years. This program invites the children of overseas employees to Japan and offers the children of domestic employees the opportunity to visit our overseas locations.

My goal is for Yazaki to remain a company that contributes to the happiness of all stakeholders. I hope that every employee will heed our Sustainability Policy and Sustainability Story, and, together with the company, engage in efforts to tackle challenges. If we can achieve our Corporate Policy and contribute to the happiness of people around the world, there is no greater reward.

We ask all stakeholders for your continued support and cooperation in our activities, and greatly appreciate your understanding and assistance as we move forward.



Sustainability Story



The Yazaki Group.

A family, as one.

Believing in the power of Monozukuri and Kotozukuri

Building a prosperous future society.

What can we do to create a sustainable society?

Since the founding of the Yazaki Group, we have always been led by our north star:
“A Corporation in Step with the World” and “A Corporation Needed by Society”

Heading in the same direction with colleagues around the world,
we pursue this philosophy with the motto “One for All, All for One”.

In conducting our business, we value
to see beyond immediate concerns and envision the distant future,
to willingly do things that benefit others,
to complete tasks to the finish,
and to cherish employees and their families.

Even as times change, we have been honest with our customers and society, guided by these values.

Manufacturing wire harnesses – the automobile’s nerves and blood vessels –
and various automobile parts including HMI, which meet the needs of a diverse mobile society and
bring the joy of driving to people around the world.

Providing diverse products and services for a stable and
efficient energy supply to secure lifestyles that are environmentally friendly, safe, and secure.

Sharing the aim of a transition to a new local society through nursing care, agriculture,
and environment & recycling.

Together with our colleagues who empathize these beliefs, and in pursuit of new colleagues,
the Yazaki Group has built communities and grown around the world.
This is because we believe that our people can be motivated and fulfilled by the work that we do.
And we know that this leads to the smiles of our colleagues,
their families, and even the communities we serve.

Today, the world we live in is facing various changes and crises.
For example, the destruction of the global environment,
depletion of resources, poverty, and the challenges of an aging and declining population.
On the other hand, innovative technologies and industries have emerged to address these issues.

The Yazaki Group will leverage
industry-leading Monozukuri and Kotozukuri with AI and digital technology to contribute to safe,
secure, and comfortable mobility and to optimize energy supplies.

We are committed to creating a future society offering prosperity
and balance for all life on Earth which is an invaluable life form.
Be motivated by innovation, passion, and adventure,
together with our colleagues around the world who seek new challenges.
We are the Yazaki Group.
A family, as one.
Believing in a sustainable society for a better tomorrow.

Why?

Why does Yazaki pursue sustainability?

At the root of Yazaki's corporate personality lies in the strong desire of our founder: "Let's become a company needed by the society. The world is our ally, so let's help one another." This conviction has been passed down through generations of colleagues, and in the course of being acknowledged and supported by customers and the local community, it has formed the corporate personality of Yazaki. This philosophy has been articulated in our Corporate Policy, to be "A Corporation in Step with the World" and "A Corporation Needed by Society."

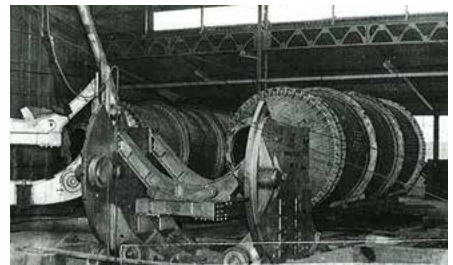
This corporate personality also expresses Yazaki's stance of pursuing sustainable development in step with communities. It is our fervent desire to proceed forward with local residents, enlivening those local communities and putting smiles on their faces.

Since long before the concept of "sustainability" became widespread, Yazaki has believed that its own existence and activities should be sustainable in nature.

Episode 1

The Installation of the Resource Utilizing "Thomas" Furnace (1957)

When Yazaki's founder Sadami Yazaki went to the factory, he would go straight to the incinerator and pick up discarded electric wire off-cuttings and insulation, telling management, "We must not use things in this wasteful way." To put these words into practice, in 1957 Sadami installed Japan's first rotary "Thomas" furnace. A Thomas furnace, which is able to use scrap copper as a raw material, was a revolutionary contraption that was able to recycle used electric wires. From that point on, Yazaki has focused on business development with a focus on the global environment, particularly the utilization of recycling and renewable energy.



The Thomas furnace installed at the Numazu Factory

Episode 3

In Step with the World (The Dawn of Overseas Expansion) (1962)

In 1962, Yazaki established its first overseas site with Thai Yazaki Electric Wire Co., Ltd. It was a time when it was still rare for Japanese companies to set up production sites overseas. The Yazaki Group chose Thailand as its first overseas site out of a desire to contribute to the Thai economy and industry, and serve as a bridge of friendship between Japan and Thailand. Having started with a little over 60 workers, Thai Yazaki Electric Wire Co., Ltd. has today grown into a group of six companies employing over 10,000 people, contributing to the development of the region.



The foray into Thailand marked the opening chapter of Yazaki's overseas expansion

Episode 2

Supplying Products That are Useful to Society (Domestic Production of Tachographs) (1960)

In the late 1950s, the number of traffic accidents increased due to the advance of motorization, and reckless trucks and taxis had become a social problem. To meet the transportation industry's desire to prevent accidents by managing the operation of drivers, and the government's request to ensure the safety of commercial vehicles, in 1960 Yazaki achieved the domestic production of tachographs (vehicle driving recorders). This made it possible to ensure safe driving management, manage the driving workforce and improve fuel efficiency, contributing to the development of a sustainable transportation industry. In 1962 legislation concerning tachographs was introduced, requiring their installation in chartered buses and trucks, and even today they remain an essential product for society.



TCO-8 tachograph produced in 1960

Corporate Policy

A Corporation in
Step with the World

A Corporation Needed
by Society

Episode 5

New Approaches to Solving Social Issues (2000-)

With the globalization of the automotive industry advancing, the Yazaki Group was forced to reduce the scale of operations in Japan as a result of increasingly shifting wire harness production sites overseas. To protect regional employment due to this situation while solving the issues facing each local community, such as declining birthrates, aging populations and depopulation, Yazaki embarked on proactive efforts to develop new businesses able to contribute to local communities and environmental conservation in the areas of nursing care, agriculture, environment and recycling.



"Kami Fusen" Yazaki Nursing Care Center, part of Yazaki's nursing care business

Episode 4

Pursuing Community-based Business Expansion (Expansion into Mexico) (1983)

It is not rare for the Yazaki Group's overseas sites to be set up in remote areas, 200 or 300 km from the capital. Behind this approach is a desire to expand into regions where employment is truly needed, considering in all sincerity what we can do as the Yazaki Group, and putting that into practice. In 1983, we established a wire harness factory in Ciudad Juárez, Mexico, a location close to the US border. Over the next decade we set up 19 factories all over Mexico. When expanding factories further inland from Ciudad Juárez, our employees stayed at the homes of local residents to gather feedback from the local community and build the factories in partnership with them. This was part of our aim to develop in step with local communities alongside local residents.



The Ciudad Juárez Factory, the first site of Yazaki's expansion into Mexico

What?

What does Yazaki aim to achieve?

The automotive industry is undergoing an unprecedented era of transformation. It will no longer be possible to meet the evolving needs of the world using conventional ideas and approaches. By combining industry-leading technologies in Monozukuri with Kotozukuri leveraging AI and digital technologies, we are taking on the challenge of developing a wide range of products and services that will spread safe, secure and comfortable mobility and support the optimum supply of energy. Yazaki continually reexamines whether its current activities are appropriate from the perspective of society, tackling sustainability while always questioning itself.

Toward the Widespread Adoption of Safe, Secure and Comfortable Mobility

Example HMI Products

Contributing to safe and comfortable transportation by preventing distracted or inattentive driving and providing appropriate information to passengers



Example TRUE SAFE

An AI and digital technology solution that supports safe driving based on the data obtained from digital tachographs



Example ESTRA-Web2

A operation management system that manages the data obtained from a drive recorder-integrated digital tachograph in the cloud, contributing to improved commercial driver management, safety and work efficiency for customers



Example Comprehensive Road Management System

Contributing to the streamlining of road maintenance and management services by automatically detecting damage to road surfacing based on data from digital tachographs and drive recorders



Industry-leading
technologies in
Monozukuri

Kotozukuri
leveraging
AI and digital
technologies

Supporting the Optimal Supply of Energy

Example

Gas-related equipment that contributes to streamlined operations in the gas industry and the safe and reliable supply of gas through the manufacturing and sale of communication devices and the operation of central monitoring centers



Example

Air conditioning equipment that combines AI with remote control technologies to ensure the optimum use of renewable energies and contributes to sustainable agriculture with minimal staffing



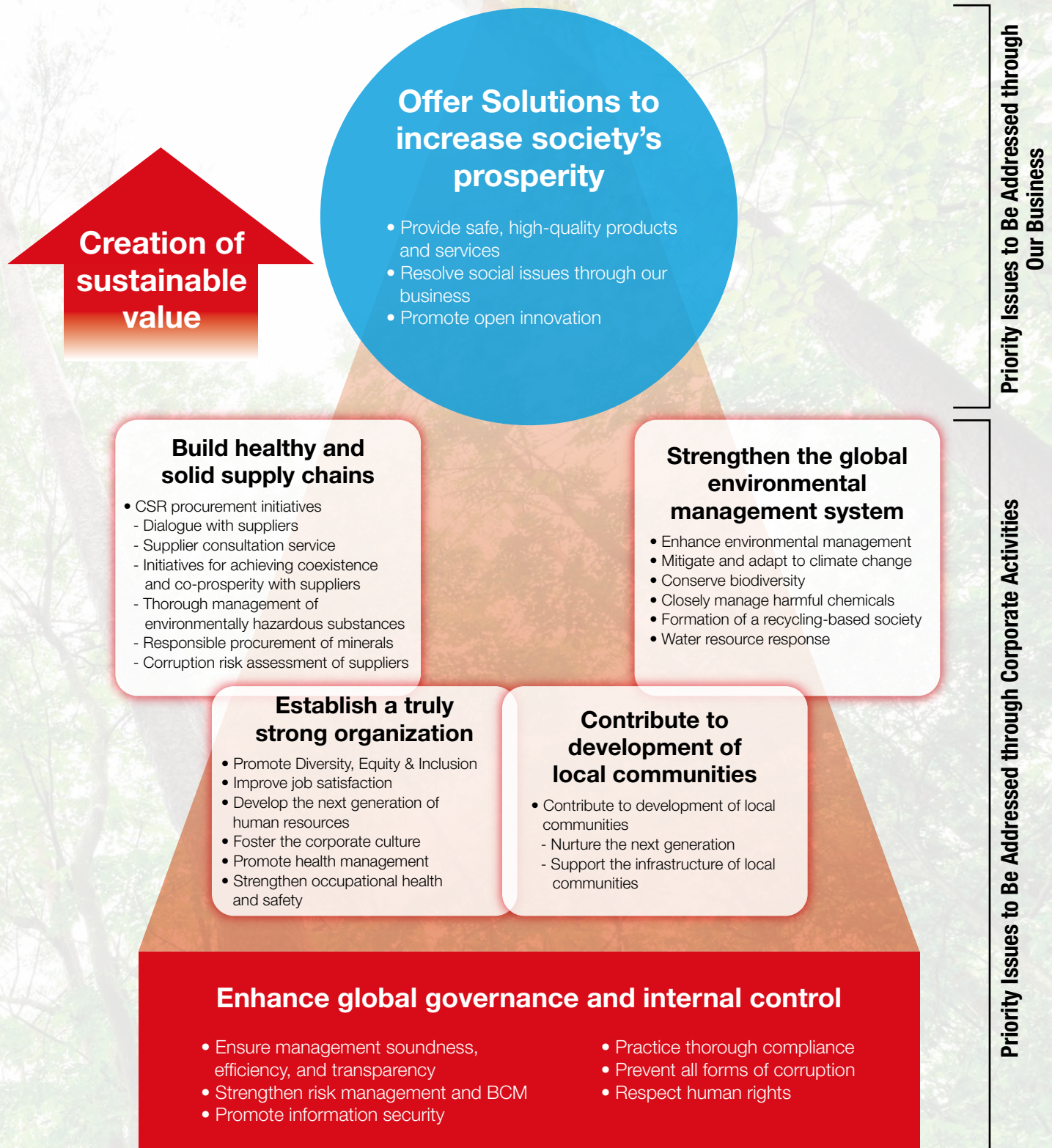
How

How does Yazaki tackle issues?

The world in which we live is facing a number of changes and crises, from the destruction of the global environment and resource depletion to poverty, a declining birthrate and an aging population. Aiming to achieve a future society in which all living things on earth can live abundantly, Yazaki has identified sustainability issues to be addressed on a priority basis, and is tackling these issues accordingly. In addition to helping achieve the SDGs through action on these priority issues, each employee endeavors to put these initiatives into practice in the course of their day-to-day duties.

Priority Issues for the Promotion of Sustainability

Achieving a future society that offers prosperity and balance for all life on Earth



Value Creation Process

The Yazaki Group has harnessed strengths cultivated over more than eight decades to manifest its Corporate Policy of being “A Corporation in Step with the World” and “A Corporation Needed by Society.” In doing so, we have developed a business of connecting cars, people’s lives, and society. Building on our Sustainability Policy and Sustainability Story as a foundation, we will continue to provide new value to stakeholders and communities and contribute to the realization of a sustainable society.

Environmental Changes

- ◆ Progression of climate change and growing demands for decarbonized management
- ◆ Resource depletion and the growing needs for renewable energy, energy saving and resource recycling
- ◆ Population growth, dwindling birthrates, aging populations and increased demand for mobility services
- ◆ Advancements of CASE (connected, autonomous, shared, and electric), particularly changes in industrial structures driven by electrification
- ◆ Shifting consumer values regarding automobiles
- ◆ Sustainability initiatives becoming a key criteria for corporate evaluation

We respond to these environmental changes by creating value through collaboration with a diverse range of stakeholders, adapting to new models of industry, business and consumption.

Sustainability Policy

▶▶ P.29

Sustainability Story

▶▶ P.9

▶▶ P.2 Fundamental Management Policy

Mobility business

AI digital business

Business Operations

▶▶ P.5

Industry-leading Monozukuri

Kotozukuri leveraging AI and digital technologies

The Source of Value (Our Strengths)

Human resources supporting Monozukuri and Kotozukuri

Nursing care, agriculture, and environmental recycling business

Production, development and sales operating in 46 countries and regions around the world

Yazaki Spirit ▶▶ P.2

Fortitude

Corporate Policy ▶▶ P.2

A Corporation in Step with the World
A Corporation Needed by Society

Providing economic and social value

Contributing to a decarbonized, recycling-based society

Creating jobs in local communities

Revitalizing local economies

Supporting safety and security in our daily lives

Automotive business

Living environment equipment business

▶▶ P.31
Priority issues for the promotion of sustainability

Offer solutions to increase society's prosperity

Build healthy and solid supply chains

Establish a truly strong organization

Contribute to development of local communities

Strengthen the global environmental management system

Enhance global governance and internal control

Employee Roundtable

The Value Yazaki Group Provides for a Sustainable Society

In light of the establishment of our Sustainability Policy and Sustainability Story, young and mid-career employees from various divisions gathered to discuss the significance of sustainability for the Yazaki Group (hereinafter, “Yazaki”), its social value, and the vision for Yazaki’s future as it strives to lead the next generation.

Location: Y-CITY WHQ (World Headquarters) Library

A library with a collection of approximately 15,000 books, accessible to employees and their families. The space is also used for events such as storytelling sessions and mini concerts.



Practicing the Corporate Policy in Daily Work

Yazaki At Yazaki, our approach to sustainability originates from our Corporate Policy. Could you share how you incorporate this policy into your daily work?

Ono In the research and development division, we align our development themes with the Corporate Policy. Since 2018, I have been working on repurposing used electric vehicle batteries into stationary energy storage systems. Reusing these batteries promotes resource efficiency, and as we transition to renewable energy in

the future, energy storage systems will contribute to energy stability. I believe this aligns with our mission to be “A Corporation Needed by Society.”

Nishihara My role involves demand forecasting for automotive parts, specifically predicting future needs for wire harnesses and related components used in vehicles worldwide. Without accurate demand data, it would be impossible to stably produce and supply the essential wire harnesses that cars rely on. In this sense, I view my work as essential to fulfilling our Corporate Policy



Ko Yazaki (Facilitator)
Executive Vice President, Representative Director
Yazaki Corporation

and approach it with that commitment each day.

Tabata When I was in charge of sales for gas equipment, I made it a point to relate the Corporate Policy to my own work. I understood being “A Corporation Needed by Society” as being essential to our clients, and I constantly considered how I could contribute to them, no matter how small, and put that into action in my daily sales activities.

Ogishima I often feel that Yazaki is deeply connected to the local community, and that employees at Yazaki work together like one big family—with parents, siblings, and spouses. When I have dined at restaurants near the office, I have had the opportunity to hear stories from the staff about senior employees and the positive aspects of Yazaki. This connection with the community isn’t something that can be built in a day or two; it’s the result of decades of employees sustaining and fostering these relationships. Whenever I go out, I always remind myself that I am representing Yazaki and act with pride.

Nagai In my role selling parts for commercial vehicles such as trucks and buses, I feel a daily connection to the Corporate Policy through my involvement with vehicles that are needed by society. By having our products and technologies adopted by our customers, and providing value to them, I believe we are directly contributing to social infrastructure. When I see trucks and buses on the road, I am reminded of this even more strongly.

Fatih When I was assigned to Romania, there was a time when we had to close one of our factories. For us in management, it was a difficult decision. However, on the final day of operations, I saw employees smiling and embracing each other. They expressed their hope that if Yazaki ever established a factory in the area again, they would be eager to work with us once more. This experience strongly reinforced my belief that Yazaki is one united family, brought together under our Corporate Policy.

Yazaki I am pleased to hear everyone’s candid opinions about the Corporate Policy. I am encouraged

by the fact that each of you works with pride, representing Yazaki.

Yazaki’s Sustainability

Yazaki How do you incorporate sustainability into your daily work?

Nishihara If the accuracy of demand forecasting is low, the worst-case scenario could be halting the customer’s production line. On the other hand, highly accurate demand forecasting leads to reductions in unnecessary inventory and transportation. I view contributing to the continuity of our customers’ businesses, as well as the survival of our own, as part of sustainability, and I approach my work with this in mind. While there is pressure, it also provides a sense of purpose and motivation.

Tabata The company I belong to, Yazaki Energy System, aims to contribute to the sustainability of the global environment through our business as a comprehensive energy producer. Within this, my department focuses on creating new business opportunities by integrating various energy-related businesses, such as electricity, gas, and solar power, to further enhance our contributions.

Nagai One issue I am particularly conscious of is gender equality, which is also highlighted in the Sustainable Development Goals (SDGs). With the increasing number of dual-income households, I feel there is a strong tendency for women to either overburden themselves or, conversely, limit their work. In my household, my husband and I divide household chores and childcare nearly equally, and we strive for a sustainable way of working. When it comes to our jobs, I do not hold back for gender-related reasons, and I want to demonstrate to both my colleagues and my children that gender equality should be the norm.

Fatih Yazaki creates employment opportunities and fosters talent around the world. I believe that the foundation of sustainability is when employees can smile, enjoy what they do, and achieve their goals. From there, it is important to contribute to the sustainability of our customers, society, and future generations through our products and services. My involvement in the YGLP* has further increased my interest in sustainability. I believe it is crucial to expand this awareness even further.

* YGLP refers to the Yazaki Global Leadership Program, a selective talent development program aimed at cultivating future leaders who have the potential to become core members of global management.

Yazaki What are your thoughts after reading Yazaki’s Sustainability Story?

Ono What resonated with me the most in the

Sustainability Story was “to cherish employees and their families.” The development theme I am working on, which is the reuse of used batteries, contributes to energy stabilization. I realized that this effort also ties back to valuing and bringing happiness to the people who work with us and their families.

Tabata What left a strong impression on me was the concept, “We are the Yazaki Group. A family, as one”. It reaffirmed my belief that this company truly cares about its employees. I think this caring attitude is reflected in initiatives like employee benefits and the Yazaki Summer Camp Program.

Nagai I used to find the CSR policy to be somewhat formal and difficult to relate to, but the Sustainability Story allowed me to approach it as something personal. In the past, when explaining our products to customers, I would highlight our strengths in quality, cost, and delivery (QCD), and often discuss environmental matters in a defensive way. However, by using this story, I realized that I can also explain Yazaki’s strengths in sustainability, which I believe will help customers better appreciate the appeal of our products.

Yazaki When it’s presented as a story, it becomes easier to connect with on an emotional level. When employees share this story, it sparks interest in others, making them want to learn more and get involved. This is a key objective of the Sustainability Story.

Yazaki’s Social Value

Yazaki In this rapidly changing world, how do you think Yazaki is providing value to society and contributing to solving social issues? And what kind of value do you think we should aim to provide in the future?

Tabata In the gas equipment division, we provide products and services that are not only user-friendly but also safe and easy to handle for those installing them, which I believe delivers value to society. In addition, in

my role in new business development, we have been working on social contribution initiatives like providing sanitizing water to low-income communities in Indonesia to improve sanitation. We are currently progressing towards making this initiative a business.

Ono I believe the value we provide in the development department lies in actively listening to our customers’ voices, responding accurately, and suggesting reliable products. I also think it would be ideal if we could develop and provide solutions with such speed that we can anticipate customer needs before they even arise.

Ogishima I believe that Yazaki contributes to solving issues like poverty, conflicts, and environmental problems by creating employment through its factories worldwide. Recently, companies that balance business growth with social contribution, often referred to as “zebra companies,” have been gaining attention. I think Yazaki has already embodied this concept, and I believe it should continue to be such a company in the future.

Nagai I also believe that Yazaki’s contribution to employment is significant. I was born in Susono City, Shizuoka, where Y-CITY is located, and grew up in an environment where many adults wore Yazaki uniforms. Now, I work at Yazaki, and I think it’s wonderful that more than 200,000 people around the world are living their lives alongside Yazaki, just like I am. Providing people with both a place to work and a sense of purpose is undoubtedly one of Yazaki’s greatest values.

Fatih I believe the development of my home country, Turkey, has been influenced by automotive-related companies, including Yazaki. As people work at these companies and bring back ideas such as safety and 5S to their hometowns, gradual changes have occurred in the community. When I was a university student, I interned at a Japanese automotive manufacturer, and later began working at Yazaki, which helped me understand why my hometown developed. I feel that Yazaki contributes



Chihiro Ono

HV4 Team, High-Voltage Systems R&D Department, Advanced Technology R&D Center, Technology R&D Division
15 years with the company



Shinpei Nishihara

Planning Team, Component Demand Planning Department, Component Planning Subdivision, Monozukuri Business Management Division
10 years with the company



Miho Tabata

New Business Development Team, Corporate Planning Department, Management Division, Yazaki Energy System
5 years with the company

to the development of the local community through employment, educational training, and human resource development to maintain and sustain jobs.

Nishihara It is significant that we are connecting employment to the revitalization of local economies while expanding globally. As mentioned in the Sustainability Story, in order to enhance value through the power of Monozukuri and Kotozukuri, I believe the global network will be a key factor.

Yazaki It's important to provide value that is adapted to each region, rather than standardized value. However, the bottom line for Yazaki remains the same. Based on our Corporate Policy, we contribute to society from both global and local perspectives. I believe this is one of the values that Yazaki offers to society.

The Ideal Vision for Yazaki in 10 Years

Yazaki Ten years from now, I believe all of you will view the company from a higher perspective than you do today. What kind of company do you think Yazaki should be in the future?

Ono I aspire for Yazaki to become a company that inspires admiration, where people can recognize the brand in various impactful ways. Achieving this requires not just focusing on development but also ensuring that our products and solutions are effectively implemented in society. I am committed to seeing my current projects through to completion, as I believe this will contribute to advancing sustainability.

Nagai I hope Yazaki remains a company that continues to attract talented individuals. In 10 years, I envision it being an organization that people aspire to join, admired for its positive reputation and workplace environment.

Tabata I aim for Yazaki to be recognized as a company that is especially conducive to women's work-life balance. Achieving this would not only attract more talented individuals but also further energize the company.



Nishihara I want Yazaki to become a company that others envy for the opportunity to work there. From that perspective, I will think about what I can contribute in the next 10 years.

Ogishima Yazaki has a variety of assets, and among them lie the seeds for new businesses 10 years from now. I want to identify these opportunities, consider the transition from Monozukuri to Kotozukuri, and apply these insights to new business development.

Fatih In 10 years, while maintaining our roots, everything about us will change. The world will change, demands will shift, people's mindsets will evolve, and values and expectations will transform. By firmly establishing ourselves in this changing environment, I aim to achieve key challenges related to the SDGs and from environmental, social, and governance (ESG) perspectives by that time.

Yazaki It's clear that each of you is thoughtfully envisioning the future of Yazaki in 10 years from your unique perspectives. I'm truly pleased to see the strong sense of attachment to the company reflected in your ideas.



Hideki Ogishima

New Business Planning Team, Business Planning Department,
New Business Development Subdivision
Corporate Planning Division
4 years with the company



Moena Nagai

Sales Team, Mitsubishi Fuso Truck and Bus Sales Department, CV Sales & Marketing Subdivision
17 years with the company



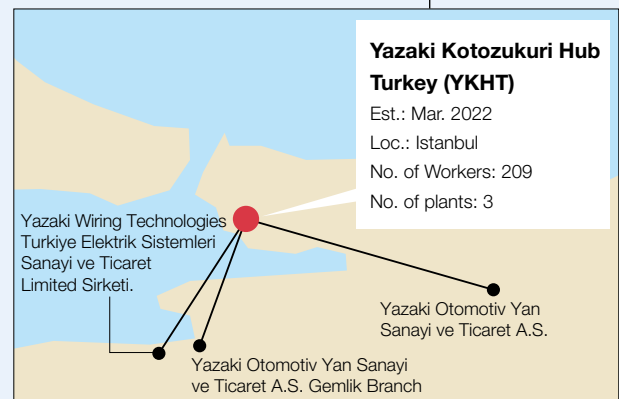
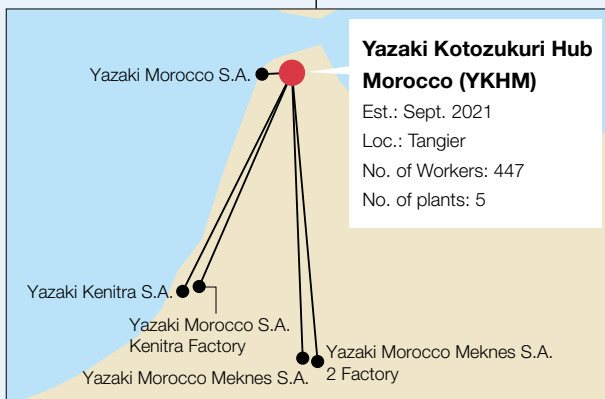
Bilgin Fatih

W/H Production Management Division
19 years with the company

Note: Affiliations are as of the time of the interview (September 2024).

Supply Chain Reform in Morocco and Turkey: The “Kotozukuri Hub” Project

Amid the increasing global logistics risks due to the rapid changes in the business environment, the Yazaki Group (hereinafter “Yazaki”) is developing the Kotozukuri Hub project in Morocco and Turkey to build a robust supply chain that supports production in the Africa and Middle East regions. The goal of this initiative is not only to increase production efficiency but also to focus on the improvement of quality, including in the supply chain, the development of human resources, and the consideration of environmental impact.



Yazaki Kotozukuri Hub - Inside the YKHT warehouse

Project Overview

Yazaki's Logistics Challenges

The recent pandemic and the frequent occurrence of geopolitical events worldwide have had a severe impact on the automotive industry, significantly affecting logistics operations by increasing transportation time and costs. When logistics are disrupted, the necessary materials for production do not arrive at plants as scheduled, causing delays in production plans and preventing the delivery of products to customers as ordered. To mitigate these risks, companies need to digitalize logistics operations (DX) and improve productivity, establishing a system that can respond quickly and flexibly to customers' demands. In the current unpredictable era, it is essential for companies to differentiate themselves from their competitors and maintain their competitiveness in the market to continue to be chosen by customers.

Yazaki Europe Middle East Africa N.V. (hereinafter “Y-EMEA”), which oversees the Europe, Middle East and Africa regions, plans to strengthen its wire harness production bases in the Africa and Middle East regions in anticipation of an increase in orders from customers. To address this, it is urgently necessary to expand production areas and improve productivity at the plants in both regions.

At Yazaki, we strive to create value in all areas of the logistics process, from customers to suppliers, 3PLs,^{*1} transportation contractors, customs, and customs brokers, increasing quality and performance while reducing cost. From this perspective, the digital transformation (DX) of logistics and human resource development have become issues in the logistics field.

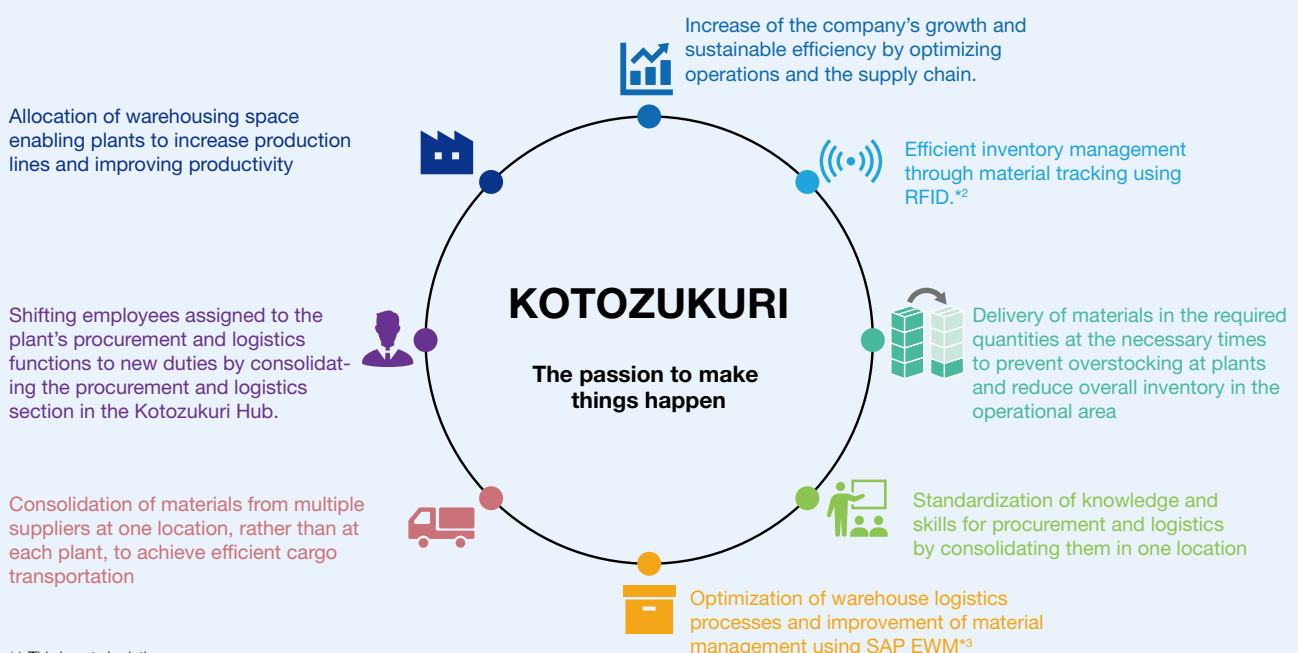
Kotozukuri Hub Concept

Established in 2021 to enhance the production areas and productivity of plants in Morocco and then extended into Turkey in 2022, the goal of the Kotozukuri Hub is to swiftly and flexibly respond to geopolitical risks and changes in the structure of the market. The Kotozukuri Hub is positioned as an innovation hub that promotes value creation and generates added value in the supply chain, integrating procurement and logistics functions with human resource development.

The term Kotozukuri has the active meaning of “the passion to make things happen” in Japanese. Starting with the expansion of production areas and productivity improvement, project members passionately share ideas and advance the optimization of procurement and logistics operations by introducing cutting-edge, top-tier technologies and processes. By consolidating procurement and logistics operations from each plant at the Kotozukuri Hub, it is possible to avoid transportation delays and supply disruptions caused by geopolitical risks, ensuring timely delivery to customers. Additionally, by consolidating warehousing functions away from the plants, production space is freed up, leading to the improvement of plant productivity.

As a result of these activities, the Kotozukuri Hub has become a place that generates added value, as shown in the diagram below, and it continues to evolve daily.

The following pages introduce specific initiatives at the Kotozukuri Hub.



*1 Third-party logistics

*2 Automatic identification technology for reading and writing IC tag information using radio waves

*3 SAP Extended Warehouse Management, a warehouse management system for enterprises

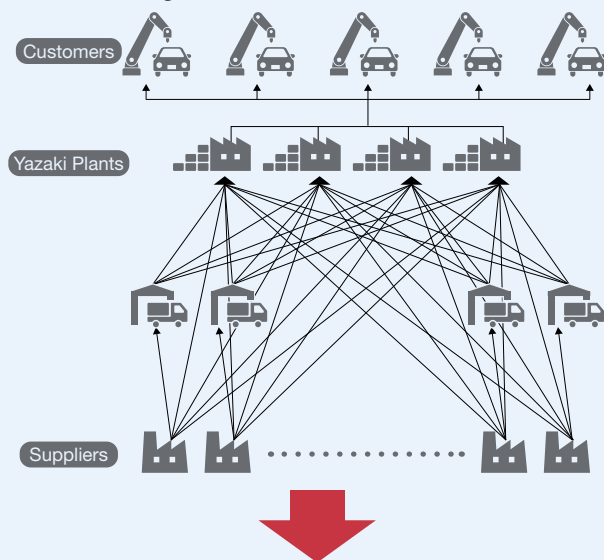
Kotozukuri Hub Initiatives

Improving the Efficiency of Plant Operations by Consolidating Procurement Operations

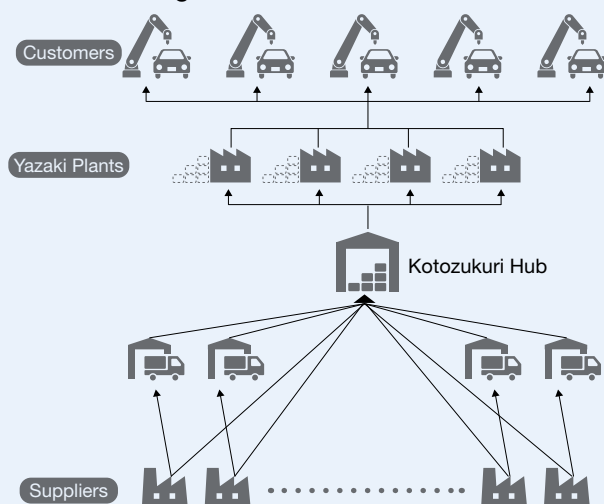
Previously, each plant had its own procurement and logistics departments, and the materials needed for manufacturing wire harnesses were purchased directly from suppliers and delivered directly to the plants. The delivered materials were used as needed and then stored in boxes within the plant, leading to large inventories and cramped production areas.

By transferring the procurement and logistics operations to the Kotozukuri Hub, plants no longer needed to negotiate directly with suppliers, enabling them to concentrate on direct production operations. Space for production was also secured.

● Previous Logistics Flow



● Reformed Logistics with the Kotozukuri Hub



Key Points of the Kotozukuri Hub

1 Efficient inventory management by tracking materials using RFID



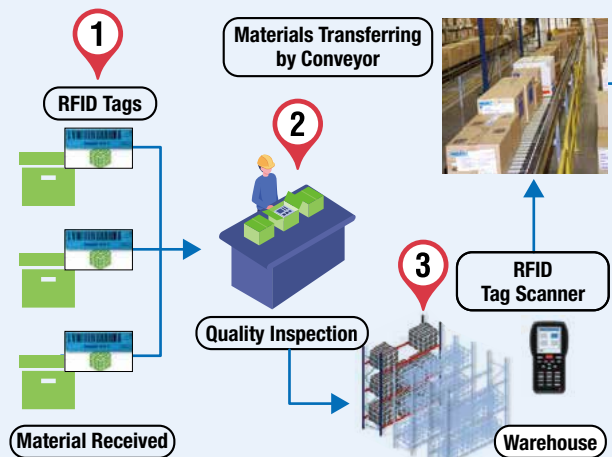
3PL Logistic Team Manager

Mohamed Boukkour

At the Kotozukuri Hub, we use SAP for the entire management process, from the reception of materials from suppliers to their being shipped to the plant, and we track them using RFID. By registering RFID tags, we can easily check the location and status of each material, enabling efficient inventory management.

Receiving

Managing received materials using RFID tags



2 Efficiency through the integration of quality inspection processes



Business Support Center Team

Nihad Andaloussi

Cargo including materials with RFID tags undergoes quality inspections. This is the important task of checking the materials received from suppliers for defects. Previously, each plant conducted quality inspection individually, but by consolidating this at the Hub, the plants now do not have to do this process.

The Kotozukuri Hub not only consolidates material procurement and logistics operations but also implements various improvements in the process up to the shipping of materials to plants to optimize logistics operations. The diagram below illustrates the Kotozukuri Hub situation in Morocco and Turkey.

4 Repacking at the production unit using returnable boxes



New Projects HUB Team
Fatima Ezzahra ElHazzab

When an order is received from the plant, the materials are sorted into returnable boxes. These boxes come in various sizes and are used according to the type and quantity of materials. This enables items to be sorted at the production unit rather than the order unit, enabling plants to order only what is needed and reducing the inventory storage period.

5 Sorting returnable boxes by destination using “supermarkets”



Logistics HUB Team
Redouane Benlkaid

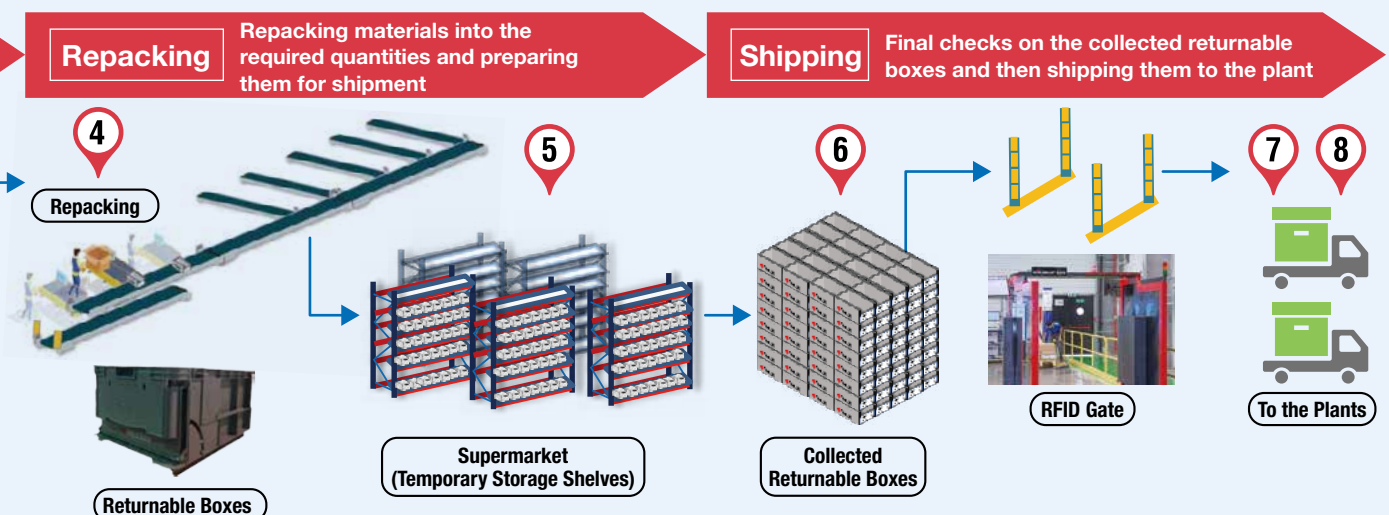
The sorted materials are moved to supermarkets (hereafter, “SMs”). SMs are temporary storage shelves before the materials are shipped to the plants. The returnable boxes are placed on the shelves for the specific plant. This makes it easier to find specific boxes for shipping, reducing preparation time.

7 Tracking the transportation status of materials using RFID



Freight Team
Mohammed Serehani

If there are no discrepancies between the shipping schedule information and the boxes at the RFID gate, the items are loaded onto the truck and shipped. Each plant also has an RFID gate, and the arrival information is sent to the Kotozukuri Hub, making it possible to confirm that the materials have arrived safely.



Management of the entire process from reception to the shipping of materials using SAP and RFID tracking

3 Visualization of material information using RFID



Customer Service Team
Ouail Elahmad

After quality inspections, cargo is stored in the warehouse. The location, quantity and condition of each type of cargo can be tracked using RFID, enabling quick repacking when an order is received from a plant.

6 RFID gate for efficient pre-shipment load verification



Procurement Team
Youness Belhboub

Once the shipment is ready, the returnable boxes from the SMs are placed on a pallet and passed through the RFID gate. This makes it possible to automatically match shipping schedule information to the boxes, increasing operational efficiency.

8 Optimizing logistics processes to reduce the number of trucks



Supply Chain Optimization Team
Badr Nefauoi

By consolidating materials into the smallest units for shipment, loading efficiency has improved, reducing the number of trucks by 15%. We have also introduced a circular delivery system that makes it possible to deliver to more than one plant in a single trip. This has further increased loading efficiency and helped reduce CO₂ emissions.

Human Resource Development through the Kotozukuri Hub

Improving Employees' Knowledge and Motivation through This Project



The deployment of the Kotozukuri Hub has also had a significant impact on human resource development. Although the Kotozukuri Hub began with the vision of top management, the optimization of operations was designed and determined by elite team members at each plant who volunteered or were recommended. These team members built the system from scratch. This bottom-up approach reflecting the opinions of

employees has increased each employee's awareness of operational improvements and created an environment that facilitates continued improvement.

Additionally, at the Kotozukuri Hub, employees increase their communication with other departments regardless of their department or position, learning the importance of teamwork and continuing to support, compete, and grow together, guided by the "One for All, All for One" spirit.



Customer Services &
Warehouse Operation
Team

Embye Güler

In logistics operations, the timely and accurate delivery of cargo to the right location is required, and the constant improvement of operations is essential. In this place, I can experience cutting-edge technology and realize my ideas, and I feel that I can improve. I am proud to have participated in this project.



Material Planning
Team

Mert Nemutlu

I am in charge of material procurement. If there are any changes in inventory or logistics data, I investigate the root cause and then share it with other departments to improve the issue. Through this project, I reevaluated the importance of teamwork in operating logistics and production as scheduled. It was very gratifying to be appreciated by other departments. Logistics is always challenging, but I find it incredibly rewarding.



Freight & Customs
Team

Eylem Aydın

I am in charge of customs procedures. I was involved in the same work at the plant, but here the types of procedures are different, and many issues have occurred. However, by cooperating with other departments, we solved each issue one by one. One experience that was particularly invaluable was the introduction of SAP in collaboration with the IT team for compiling inventory information for customs declarations.



Head of Production
Control & Logistics,
Y-EMEA EDS Plants

Mohammed Ameziane

The Kotozukuri Hub is a new center that consolidates human resource development and material flow that supports and increases the flexibility of our procurement and logistics operations. This brings a new dimension of added value to our strategic site layout. It is a key foundation for enhancing the overall competitiveness of the organization by promoting employee growth and pursuing value-added activities, such as the centralized procurement of materials.



Site Manager,
Kotozukuri Hub
Morocco

Youssef Mkireb

The success of the Kotozukuri Hub is a result of teamwork and project management. It is important to plan every step carefully, predict actions to avoid failures, and adjust the planning. This project has fostered a spirit of adaptability and taking on challenges. I believe that breaking out of traditional molds and pushing the supply chain to its limits are the keys to the project's success.



Site Manager,
Kotozukuri Hub
Turkey

Ogün Üstün

The Kotozukuri Hub project is an unprecedented challenge. Throughout the long period of trial and error in moving forward with the project, I learned the importance of teamwork by collaborating with many employees and departments. At YKHT, there is a prominent sign that says "One for All, All for One." I hope employees are always mindful of teamwork.



Founding members of YKHT

External Stakeholder Evaluations

Cooperating with a Logistics Company, We Have Established an Industry-First System in the Automotive Parts Sector, which Has Been Highly Evaluated by External Stakeholders

The Kotozukuri Hub has been evaluated highly by various stakeholders. Previously, customs procedures were required for each plant, but by centralizing logistics functions, Yazaki has contributed to the reduction of customs tasks by consolidating the points of contact. Automotive manufacturers appreciate that Yazaki can quickly and accurately share information about container price fluctuations and transportation delays, which aids risk management. The logistics company that has been a partner since the start of the project has said that this initiative has improved its brand value and enabled the establishment of a relationship of mutual learning.

The efforts of the Kotozukuri Hub have been recognized by external parties, for instance with YKHM winning the Logistics Real Estate of the Year award at the government-hosted Moroccan Logistics Awards 2022 because of its simplification of the supply chain and successful launch. YKHT also received the Jury Special Prize at the Atlas Logistics Awards international logistics fair and won awards in three categories at the Supply Chain Professional Awards hosted by LODER for its innovative logistics concept and strong teamwork.

Statement from a Business Partner



Director of Logistics Solutions,
NIPPON EXPRESS EUROPE GMBH

Willem van der Steen

Nippon Express (NX) Group is a global logistics service company that provides various logistics services to its customers.

We support the Kotozukuri Hub by providing warehouse services and more, and we believe this support enables the hub to provide added-value services to its customers. Additionally, because the Yazaki Spirit is deeply rooted in the culture of the field, Yazaki's team members are highly motivated. By cooperating with Yazaki, NX is also motivated. The mobility industry is dynamic and rapidly changing. To ensure that the Kotozukuri Hub can continue to flexibly respond to the needs of its diverse stakeholders, NX will support Yazaki as a partner and take on challenges together with it.

Statement from the Kotozukuri Hub Project Manager

Dream of sharing the achievements of the Kotozukuri Hub with other countries and regions

Head of Logistics EDS, Yazaki EMEA

Umut Özcan

When Y-EMEA EDS President Andreas Di Vece handed us the vision of establishing the Kotozukuri Hub, various stakeholders thought that it would be an impossible project. However, through careful planning and the outstanding efforts of the project's members, it was successfully realized.

I believe that Kotozukuri also refers to state of the art. We aim to realize the most advanced innovation hub by introducing SAP and RFID tag management, optimizing and streamlining processes using these technologies, and considering the environment. Additionally, each Kotozukuri Hub member constantly maintains an awareness of improvement, and by cooperating with each other to identify and address issues, we continuously update our high-quality processes. The initiatives of the Kotozukuri Hub will undoubtedly lead Yazaki to the next step in various aspects of its business.

The initiatives have gained external recognition, and the

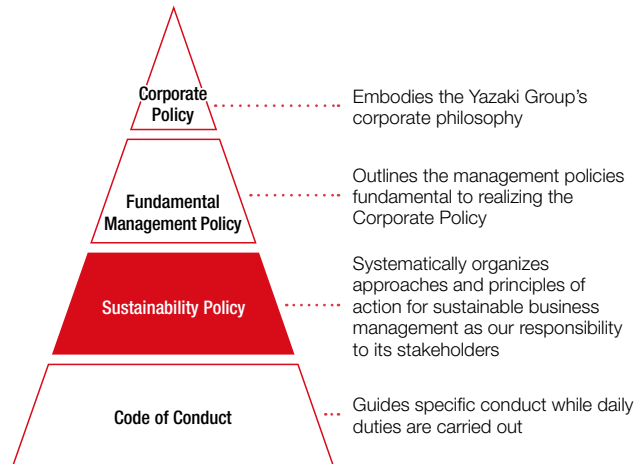


Kotozukuri Hubs in Morocco and Turkey have received the prestigious awards mentioned above. The reception of these awards related to logistics is a great honor for Yazaki, a manufacturing company. These achievements are truly the result of the team's innovation, process improvement, and strong teamwork.

At the Kotozukuri Hub, our goal is to contribute to enabling plants to focus solely on production while the Kotozukuri Hub handles the procurement and logistics aspects of the business to continuously create high-quality and sustainable production processes, thereby elevating Yazaki's production standards. To achieve this goal, we are also working on creating new value in areas beyond logistics, such as collaborations with universities and local communities and the promotion of environmental activities like recycling copper. The Kotozukuri Hub is an endless journey, and we aim to make it an innovation hub that can flexibly respond to the ever-changing supply chain.

Sustainability Management

Based on the CSR policy established in 2013, the Yazaki Group has been working toward its implementation by advancing initiatives aimed at striking a balance between the development of a sustainable society and the enhancement of corporate value. However, in light of the need for more proactive corporate action in addition to changes in the social environment, we revised and updated our existing CSR policy, leading to the establishment of the Sustainability Policy in August 2024. With the aim of contributing to the development of a sustainable society, we will steadily put sustainability management into practice with a long-term and broad perspective.



Sustainability Policy

Approved by resolution at the Board of Directors meeting held on August 27, 2024

The Yazaki Group achieves the Corporate Policy “A Corporation in Step with the World” and “A Corporation Needed by Society” through living up to the trust and expectations of society.

We believe that achieving sustainable business growth will provide long-term value to all stakeholders.

To achieve this, based on our Fundamental Management Policy and this Sustainability Policy, we will always listen to the voices of our stakeholders while developing business activities that focus on Monozukuri*1 and Kotozukuri*2 and we strive to enhance corporate governance which is the foundation of our business. We carry out these initiatives with the values of the Yazaki Spirit, “Fortitude”, “Service Mind” and “Foresight”. By doing so, we aim to achieve sustainable development for our group and society as a whole, while mapping all the relevant risks and opportunities.

We will also ask our business partners to agree with this policy and act together with us.

Customers

- We provide the value expected by the customers through safe, secure, environment friendly, high-quality products and services which are created from our combined approach of Monozukuri and Kotozukuri.
- We are committed to providing products and services that meet relevant laws and standards regarding safety, quality and environment while responding to customer needs.
- We provide necessary information about our products and services from the customer's perspective.
- We will properly manage and protect information assets, including confidential information of individual customers and companies that we come to know in the course of our business.
- We take preventive measures against diverse risks and conduct risk management to our business. In the event of an emergency, we take actions to protect the lives of our employees and local residents and ensure business continuity as top priority.

Local and Global Communities

- Through our worldwide business activities, we contribute to create employment, enrich the economy of local communities and facilitate a prosperous society.
- We respect the culture, customs, history of each country and region, and comply with rules such as related laws in all business activities.
- In business activities that cross national and regional boundaries, we comply with the laws and regulations related to import and export, and perform appropriate management and necessary procedures.
- We protect and leverage the intellectual property rights derived from our R&D and respect the legitimate intellectual property rights of others.
- We disclose corporate information timely and properly and establish a dialogue with stakeholders to enhance the transparency of our business management.
- We build and value relationships with the stakeholders with integrity and transparency, without exception. We will also not offer or receive entertainment, gifts, or money to stakeholders for the purpose of obtaining or maintaining undue benefits or preferential treatment.

Global Environment

- Based on the Yazaki Global Environment Charter, we promote activities and initiatives, such as realizing carbon neutrality and promoting a

circular economy, to ensure that the global environment is protected for the next generation.

Business Partners

- We develop products and services that contribute to resolving sustainability issues and strive to prosperously co-exist with our business partners throughout the supply chain network and encourage them to do the same.
- We maintain a fair, equitable and transparent relationship with our business partners and conduct transactions with integrity.
- We comply with the laws and regulations of each country and region in order to maintain fair competition.
- We recognize social issues such as human rights and environment, and commit to conducting responsible procurement.

Employees

- We earn the trust of employees through honest and open dialogue, while respecting their right to freely associate or not associate, in accordance with the laws and regulations of the countries and regions where we operate.
- We respect and accept diversity including nationality, race, ethnicity, gender, sexual orientation, gender identity, disability, age, birthplace, educational background, relative, religion, and employment status of our employees. We provide fair opportunities and eliminate discrimination in order to create a better working environment where employees can maximize their abilities.
- Based on The Yazaki Group Human Rights Policy, we respect human rights, which are fundamental rights that every human is born with, and do not tolerate any violations of those rights. Additionally, we do not engage in forced or child labor.
- We comply with labor laws and regulations of each country and region, including provisions for wages and working hours, and also provide fair working conditions to all employees and maintain a safe and healthy working environment.
- We pursue Hitozukuri*3, which is the base of Monozukuri and Kotozukuri, and support the enhancement of employees' skills and creativity, and contribute to the career development, well-being and quality of life for the employees.

*1 Monozukuri: Providing high-quality, highly functional and reliable products, by our accumulated experience and wisdom while utilizing the latest technology.

*2 Kotozukuri: Providing products and services that not only meet the demands of customers, but also are enriched with added value such as innovative ideas, stories, and experiences that evoke new experiences and emotions.

*3 Hitozukuri: Developing employees who understand their roles and responsibilities and can take pride and spirit of challenge in their activities, behavior and work.

◆ Communicating and Ensuring Diligent Compliance with Our Sustainability Policy and Code of Conduct

The Yazaki Group implements initiatives to ensure that its Sustainability Policy is put into practice by every one of its employees.

Domestically, the Yazaki Group publishes the Code of Conduct Handbook, a compilation that includes our Code of Conduct specifying guidelines for specific actions to be taken in the course of business, and information on various consultation offices, and distributes it to all employees, including those belonging to its subsidiaries. For our overseas subsidiaries, localized versions of the Code of Conduct have been published, as compiled based on the laws and customs of each country and region and the regulations of each business site. Certain subsidiaries that have implemented their own codes of conduct have engaged in dialogue with regional headquarters in an effort to ensure consistency with a code of conduct that should be complied with by Yazaki Group employees. Due to the establishment of the Sustainability Policy in August 2024, we plan to develop a revised edition of the Code of Conduct in fiscal year 2024.

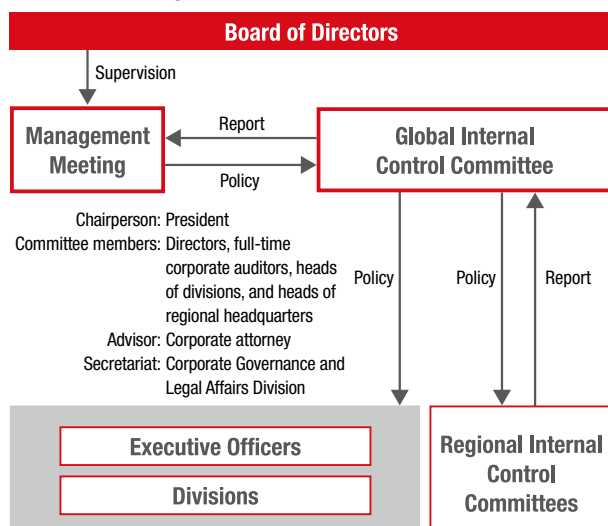


The Code of Conduct Handbook in Japanese

◆ Organizational Structure for Sustainability Promotion

The Yazaki Group's Global Internal Control Committee is chaired by an officer (the president) appointed by the Board of Directors and its members consist of directors, full-time corporate auditors, heads of various divisions, and heads of regional headquarters. This Committee

● Diagram of Organizational Structure for Sustainability Promotion



deliberates on important matters concerning CSR and sustainability for the Yazaki Group. Among these matters, those that concern policy revisions requiring management decisions are reported and deliberated on at management meetings as necessary. The Board of Directors then resolves such matters and supervises the executive team's actions.

The Sustainability Liaison Meeting has also been established as a body that is subordinate to the Japan Internal Control Committee for the domestic Yazaki Group. The Sustainability Liaison Meeting's membership includes department and division heads and other executives with ties to such areas as human resources, legal affairs, and the environment. This body confirms the status of sustainability promotion in each division, ascertains issues, and shares information as required.

In establishing the Sustainability Policy and Sustainability Story, following consideration by the Sustainability Liaison Meeting and related divisions, they were reported at the Global Internal Control Committee meeting convened in May 2024. After feedback gathered from each regional headquarters was incorporated, it was reported at July 2024 and August 2024 management meetings. The Sustainability Policy and Sustainability Story were approved following review by the Board of Directors meeting held in August.

◆ Relationships with Stakeholders

The business of the Yazaki Group, which operates in 46 countries and regions around the world, is constituted within the framework of relationships with the various stakeholders. Through constructive dialogue, we are building links of trust with these stakeholders and are working to satisfy their expectations and requests.

● Communications with Stakeholders of the Yazaki Group

	Aims of dialogue	Opportunities for dialogue
Customers	- Identifying customer needs - The value expected by customers	- Website - Sales initiatives - Customer satisfaction surveys - CSR survey response
Local and global communities	- Solving issues faced by local communities through business development - Timely and proper disclosure of corporate information - Ensuring transparency of business management	- Yazaki Summer Camp - Support to develop the next generation - Stakeholder meetings - Activities to contribute to local communities
Global environment	Solving environmental issues to ensure that the global environment is protected for the future generation	- Environmental education - Biodiversity conservation efforts
Employees	- Earning trust of employees through honest and open dialogue - Creating a working environment where employees can maximize their ability	- Labor Affairs Review Committee - Employee satisfaction surveys - Various training systems - Intranet - Various roundtable discussions
Business partners	- Coexistence and co-prosperity - Maintaining a fair, equitable and transparent relationship - Conducting responsible procurement	- Global Suppliers Conventions - Yaei-kai - Business partner briefings - Distribution of Supplier CSR Guidelines and various check sheets

◆ Instilling a Sustainability Mindset Inside the Yazaki Group

In Japan, sustainability training is provided to newly appointed responsible persons (persons responsible for overseas sites, presidents of subsidiaries, heads of business sites), newly appointed department heads and leaders, new employees and newly hired mid-career employees, and employees before they embark on an overseas transfer. Through the training, we explain sustainability trends, the Yazaki Group's approach to sustainability and initiatives on key issues, and strive to instill an understanding in employees.

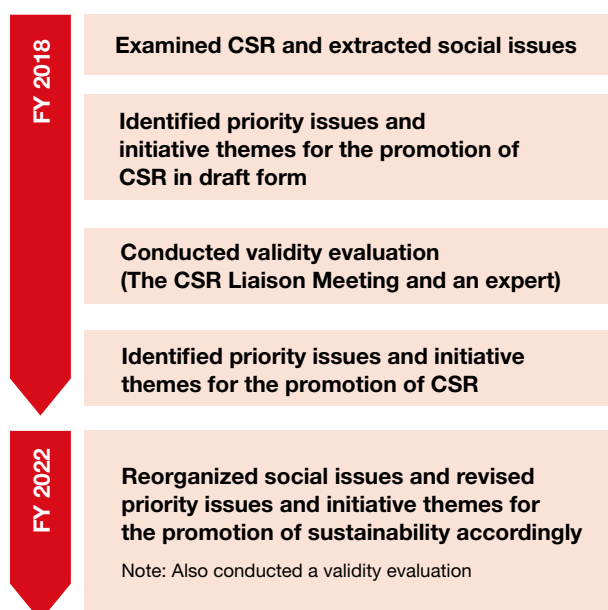
◆ Priority Social Issues That the Yazaki Group Needs to Focus On

The Yazaki Group regards sustainability and CSR as management issues and believes it is important that it ascertains and manages the impact of the external environment on the company and the impact of its business activities on society in order to further promote initiatives concerning sustainability and CSR. Accordingly, in fiscal year 2018, we identified important issues in terms of the promotion of CSR that should be addressed on a priority basis.

In addition, we have identified 23 items across six priority issue areas in relation to achieving the SDGs.

With the aim of enhancing our ability to respond to the changing external environment and business risks associated with sustainability, we broadened the important CSR promotion issues identified in fiscal year 2018 and the 23 SDG-related action items to include sustainability perspectives, undertaking revisions in fiscal year 2022. We also established key performance indicators (KPIs) to assess the outcomes of each action item.

Priority Issues Identification Process



Review of Priority Issues

① The list of priority issues identified in fiscal year 2018 was compared with international standards, norms, and customers' expectations and requests related to sustainability. Points to be revised were identified and a review plan was prepared.

② The validity of the draft review priority issues (initiative themes) was evaluated by an expert, and the divisions in charge further examined themes and statements to be prioritized. KPIs were also examined.

③ The review draft priority issues (initiative themes) were adopted as the priority issues for the promotion of sustainability after approval was granted at a management meeting held on August 30, 2023. KPIs were set.

Looking to the Future

To resolve social issues and enhance our medium- to long-term corporate value, we will regularly evaluate the achievement of the KPIs for each initiative theme and engage in sustainability management activities while implementing the PDCA cycle. We will also proceed with preparations to comply with sustainability disclosure items stipulated in requirements such as CSRD* in Europe. In addition to contributing to the achievement of the SDGs through our efforts relating to these priority issues, we will continue to disseminate and raise awareness of the SDGs to enable each employee to implement initiatives through their daily tasks as we strive toward the resolution of social issues and the sustainable growth of the Yazaki Group.

* CSRD: Corporate Sustainability Reporting Directive



The Sustainable Development Goals (SDGs) were adopted by the United Nations (in September 2015) as challenges that are shared by humanity and that should be resolved by 2030. They constitute goals that we should work on achieving together on a global scale.

◆ Results of Main Initiatives in Fiscal Year 2023 for Addressing Priority Issues for the Promotion of Sustainability

* The year will be stated if the target fiscal year differs.

Priority issue	Initiative theme	KPI* (FY2023)	FY2023 result	Organizations covered
Offer solutions to increase society's prosperity 	Provide safe, high-quality products and services	100% maintenance of ISO 9001 certification Note: At domestic and overseas sites where certification is required	99.4%	Global
	Resolve social issues through our business	Demonstrate evidence of initiatives	Published evidence	Global
	Promote open innovation	Demonstrate evidence of initiatives	Published evidence	Global
Build healthy and solid supply chains 	Promote CSR procurement	80% response rate for the CSR survey Note: Target suppliers in Japan, ASEAN, and Greater China	88.6%	Japan, ASEAN, Greater China
Establish a truly strong organization 	Promote diversity, equity, and inclusion	① Percentage of childcare leave taken by male employees: 50% (2025), 85% (2030) ② Percentage of women in management positions: 5% (2026)	① 53.3% ② 4.1%	Domestic group companies (4)
	Improve job satisfaction	95% response rate of the employee engagement survey	95.0%	Domestic group companies (4)
	Develop the next generation of human resources	Hours spent in training per employee: 5h/person	10.2h/person	Domestic group companies (4)
	Foster the corporate culture	Percentage of management members* participating in Corporate Philosophy training: 100% * Leader positions	100%	Domestic group companies (4)
	Promote health management	① Physical: Percentage of employees at high health risk: * Less than 5.5% ② Mental: Stress check participation rate: 100% * Individuals corresponding to the health management category set by our company based on health checkup results	① 6.6% ② 96.8%	Domestic group companies (4)
	Strengthen occupational health and safety	① Zero major occupational accidents ② -1 Zero accidents at facilities caused by violations of the "Stop, Call, Wait" rule ③ -2 Zero accidents caused by violations of poketenashi walking fall prevention rules	① : 0 accidents ② -1: 1 accident ③ -2: 0 accidents	Domestic group companies (4)
Contribute to development of local communities 	Contribute to development of local communities	Demonstrate evidence of initiatives	Published evidence	Global
Strengthen the global environmental management system 	Enhance environmental management	Percentage of companies with ISO 14001 certification	62%	Global
	Mitigate and adapt to climate change	Percentage reduction in CO ₂ emissions compared to the base year (FY 2017) • FY 2023: 6%, FY 2030: 39%, FY 2050: Carbon neutrality	21%	Global
	Conserve biodiversity	Demonstrate evidence of initiatives	Published evidence	Global
	Closely manage harmful chemicals	Identification of emissions of substances subject to the PRTR	Identified emissions: 13.2 tons	Domestic group
	Formation of a recycling-based society	Percentage reduction in waste emissions compared to the base year (FY 2018) • FY 2023: 3%, FY 2030: 10%	9%	Domestic group
	Water resource response	Percentage reduction in water consumption compared to the base year (FY 2018) • FY 2023: 4%, FY 2030: 17%	13%	Domestic group
Enhance global governance and internal control 	Ensure management soundness, efficiency, and transparency	Demonstrate evidence of initiatives	Published evidence	Global
	Strengthen risk management and BCM	Demonstrate evidence of initiatives	Published evidence	Global
	Promote information security	Risk reduction measures (endpoint security* coverage rate) Japan: 100%, North and Central America: 100%, EMEA: 100%, Asia and South America: 40% * Security measure for end equipment such as PCs and servers	Japan: 100% North and Central America: 100% EMEA: 100% Asia and South America: 80%	Global
	Practice thorough compliance	Participation rate* in Antimonopoly Act training: 100% * Based on number of participants expected to attend in Japan	100%	Domestic group companies (4)
	Prevent all forms of corruption	Zero violations of bribery* * Related regulations	0 incidents	Domestic group companies (4)
	Respect human rights	100% human rights due diligence coverage at seven regional headquarters* and India * Japan, North and Central America, EMEA, Greater China, ASEAN, Mercosur	100%	Global

Offer solutions to increase society's prosperity

Prompted by a corporate policy that calls for us to serve as “A Corporation in Step with the World” and as “A Corporation Needed by Society,” we believe that our mission and purpose are to continue to provide unsurpassed value to customers around the world and contribute to society through Monozukuri and Kotozukuri. With the Yazaki Spirit (Fortitude, Service Mind, and Foresight) that has been continually handed down from our founder and other predecessors, we shall seek to improve social prosperity and provide solutions that meet the needs of a changing society and environmental shifts, while staying true to our origins as a manufacturing company. Through this approach, we strive to address social challenges and achieve sustainable growth for the Yazaki Group.



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| P34 | Messages from the heads of our businesses |
| P35 | Provide safe, high-quality products and services |
| P38 | Resolve social issues through our business |
| P41 | Promote open innovation |

◆ Messages from the heads of our businesses

Automotive Business

Contributing to the future of automotive manufacturing through electrification and SDV development

As vehicles undergo significant transformations with advancements in electrification and Software-Defined Vehicles (SDVs), we are committed to providing a diverse range of products and services that deliver the value sought by our customers worldwide. In terms of electrification, in addition to traditional wiring harnesses for internal combustion engines, we are supporting multi-pathway power solutions for vehicles through high-voltage wiring harnesses, battery components, charging parts, and high-voltage junction blocks for hybrid and battery electric vehicles (HEVs and BEVs).

For SDVs, we are developing, manufacturing, and selling communication cables and connectors, and designing control electronic units. Additionally, we are developing and introducing high-value-added products that enhance safety, such as the Augmented Reality Head-Up Display (AR-HUD), which overlays navigational guidance, alerts, and road information onto the vehicle's windshield as a new Human-Machine Interface (HMI).

We remain dedicated to contributing to better automotive manufacturing by adapting to the evolving diversity in vehicle technology.



Makoto Katsumata

Senior Managing Director
General Manager, Automotive
Business Management Division
Yazaki Corporation

Mobility Business

Seeking technologies and services that are kind to both people and the Earth

In the Mobility Business, we aim to create the future of automobiles and people, contributing to the sustainable development of the mobility society through the collaborative creation of products and services with diverse stakeholders.

In the general transportation systems business, we support our customers' efforts in creating work-friendly environments and ensuring safety and security from both product and service perspectives. One example is the cloud-based operation management system *ESTRA-Web2*, which addresses various needs such as compiling complex data, ensuring safe driving, providing traffic congestion information, and improving methods for the collection and delivery of goods. Moving forward, we will continue to leverage big data and interactive AI to offer even more people- and earth-friendly services.



Eiji Shimochi

Managing Executive Officer,
Director
General Manager,
Mobility Business Operations
Yazaki Corporation

Living Environment Equipment Business

Pursuing resource-saving and recycling practices internally and providing environmentally friendly products and services

As a company that comprehensively produces all types of energy, Yazaki Energy System Corporation aims to realize a resource-saving and recycling-based society. In addition to these efforts, we are advancing initiatives for resource-saving and recycling within our own facilities. Solar panels have already been installed at some of our factories, achieving significant energy savings, with surplus power now being transmitted to other factories.

Moving forward, we will continue to expand these installations and promote activities aimed at achieving our CO₂ reduction targets. Moreover, we are exploring a new venture by developing an unprecedented environmental protection agricultural system, leveraging the technology and expertise we have cultivated over the years.

We will continue to contribute to the development of a sustainable society by providing products and services that foster a global environment friendly to all life through the optimal use of diverse energy sources.



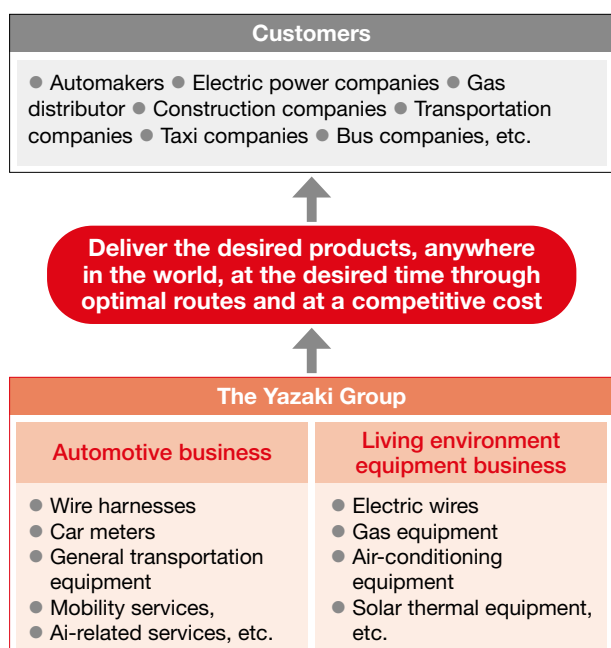
Ko Yazaki

Executive Vice President,
Representative Director
Yazaki Corporation
President, Representative Director
Yazaki Energy System Corporation

Provide safe, high-quality products and services

Since our founding, the Yazaki Group has continued to engage in business activities with a commitment to providing the best value to customers around the world. We aim to remain an invaluable partner to our customers by fulfilling our responsibility to provide safe, high-quality products and services that are consistent with the trust placed in us by customers and that meet their expectations.

Yazaki Group Businesses and Customers



In addition, we are advancing the development of new technologies for high-voltage and high-speed communications to support CASE^{*2} initiatives, as well as expanding into new fields such as personal mobility, flying cars, and smart cities, ensuring the delivery of high-quality products.

^{*1} Electrical / Electronic Distribution & Display System: It is a system for the optimal distribution and display of electricity, signals, and information.

^{*2} CASE refers to the new areas of "Connected," "Autonomous/Automated," "Shared," and "Electric."

Mobility Services

In the midst of Japan's era of high economic growth, in 1960, the Yazaki Group began manufacturing and selling the nation's first tachographs. For over 60 years since then, with a focus on improving safety through tachographs, we have provided systems and services that deliver greater safety, energy saving, environmental benefits, and efficiency for business-use vehicles. To meet the needs for advanced safety, quality, and efficiency improvements by way of compound services targeting end-to-end arrangements from the standpoint of Mobility as a Service (MaaS) in our Mobility Business Operations that was established in fiscal year 2019, we are accumulating big data cultivated in our fleet^{*1} management service (FMS) business on the *Yazaki Mobility Platform*,^{*2} analyzing and processing data with AI, and providing total solutions based on new ideas generated through linkages with outside data. In July 2023, our initiative to develop an efficient road infrastructure maintenance management system in collaboration with road maintenance operators, launched in 2022, was selected by Japan's Ministry of Land, Infrastructure, Transport, and Tourism as a private-sector-led public-private partnership modeling project. Additionally, we have conducted proof-of-concept tests with municipalities using big probe data^{*3} and AI image analysis of drive recorder video data to detect and assess pavement damage. These tests have confirmed that the damage identified aligns with locations repaired by road maintenance operators, meeting our anticipated detection accuracy. In fiscal year 2024, we plan to continue these trials, improve detection accuracy, and propose and conduct similar trials with other municipalities to build an effective road maintenance management system through the use of data.

^{*1} Vehicles owned by companies or used in businesses.

^{*2} A platform for accumulating and analyzing big data constituted through the acquisition of location data and various other types of vehicle information from commercial vehicles equipped with our corporate group's in-vehicle safety & service systems.

◆ Providing Safe, High-quality Products and Services

Automotive Business

In the automotive business, relevant divisions are collaborating to respond to the rapid advancement in electrification and intelligent technology, as well as revolutionary changes in vehicle architecture, the entry of emerging EV manufacturers, and changes in the business environment such as soaring raw material and energy prices.

Centered on wire harnesses that link various types of in-vehicle equipment, we have positioned EEDDS^{*1} as the basis for our business and have formed a framework that covers all processes, starting from the development of materials to the design and production of finished products. This enables us to provide high-quality products to our customers globally. Leveraging the EEDDS technology we have cultivated so far, we will continue to offer products to our existing customers while also advancing proposals of EEDDS technologies and products to new customers, including emerging EV manufacturers.

*3 Data collected from sensors and measuring devices mounted on vehicles, including vehicle location information, speed, acceleration, and other related data.

General Transportation Equipment

In our general transportation equipment business, we have established a nationwide sales and service network primarily built around tachographs and taximeters and are working together with dealers to maintain close relations with actual worksites (*gamba*) and provide total support that ensures customers are satisfied.

As one of our core products, our digital tachographs contribute to safe driving and energy saving in the freight and transport industry. Having sold approximately 600,000 units, they are held in high regard by many customers for effectively addressing industry issues such as accidents and environmental concerns.

In the freight and transport industry, addressing the “2024 problem,”* which involves regulations on the upper limits of drivers’ overtime work, is an urgent issue. Additionally, starting in April 2024, it will be mandatory to equip charter buses with digital tachographs. Other major challenges include driver shortages, rising fuel prices, and the need to address carbon neutrality. To meet these diverse needs, we offer a lineup that includes the AI-driven digital tachograph YDX-8, which offers greatly expanded functionality, and *ESTRA-Web2*, our cloud-based operation management system. These services contribute to solving these challenges.

We are also offering driving recorders for forklifts, aiming to improve efficiency across all aspects of logistics, including both transport and warehousing operations.

We remain committed to improving our customers’ operational efficiency and safety and labor management in accordance with the changing environment surrounding the logistics and passenger sectors.

* Name given to the challenge expected to arise from limits on truck driver working hours to be enforced in April 2024 due to work style reform laws

AI-related Services

Yazaki Image Annotation is a business that delegates the annotation process*—a step in AI development—to

our employees around the world. In recent years, the shortage of AI engineers has become a social issue, and annotation, which reportedly accounts for about 80% of the total effort in the entire AI development process, is receiving particular attention.

The quality of annotation significantly impacts the accuracy of AI, so we provide high-quality deliverables by combining professional annotators with a quality control system unique to the manufacturing industry. Since the service was launched in 2022, it has been adopted by many research institutions and companies in Japan and North America, receiving high praise. Furthermore, through proactive public relations activities, including participation in one of the world’s largest exhibitions, CES, awareness of our service is steadily increasing.

Moving forward, we will strive to strengthen our system and further enhance quality to provide reliable services to even more customers.

* Annotation is the process of adding attributes or meanings as labels to each piece of raw data, creating the training data necessary for building AI and machine learning models.

Electric Wires

Our electric wire business has been selling power cables, communications cables, branch cables, and other social infrastructure-supporting products for over half a century. These products are used on various construction sites. We also launched *Acemic* in 1986 as an anti-static product for the electronics and medical equipment sectors, which support Japan’s manufacturing industry. *Acemic* is a conductive sheet that can be adhered directly to the floor, thus enabling installation work to be completed in a shorter period of time.

With the advancement of miniaturization in recent years, facilities in the semiconductor industry are being frequently renewed. Conventional conductive flooring, in which conductive material is coated directly on the floor surface, can lead to extended work times. In response, we launched *Dust-free Acemic* in 2022. Aside from saving time like *Acemic*, it is the first flooring material of its kind that can be used in the industry’s cleanrooms

AI Digital Division

Creating new value through generative AI and DX as a strategic foundation

The AI Digital Division has introduced a generative AI environment that can securely handle Yazaki’s confidential information, aiming to significantly enhance the automation and efficiency of business processes. This advanced generative AI technology supports optimized operations and the creation of new value. In addition, a generative AI working group has been established to actively share success stories across Yazaki Corporation, with these examples steadily increasing.

To further drive company-wide digital transformation, we have also launched the DX promoter system, involving around 200 employees from various divisions who voluntarily participate in DX training and provide hands-on support for transformation initiatives. By positioning generative AI and DX as a strategic foundation, the Yazaki Group is committed to powering its future growth.



Hiroshi Tange

General Manager, AI Digital Division
Executive Officer
Yazaki Corporation

because it offers a higher level of cleanliness by not using base fabric, which is a source of dust and dirt. In addition to achieving the Class 1,000* cleanliness standard, which is used in the semiconductor industry, the lack of a base fabric minimizes the sheet's vertical resistance, thus improving conductivity. We announced this technology at the Institute of Electrostatics Japan's 2023 National Competition.

While listening to the opinions of our customers and actively addressing environmental issues, we will continue to provide safe and reliable products and services to our customers and society.

* A cleanroom classification under the U.S. Fed standard (FED-STD-209 E) indicating a space with a maximum of 1,000 particles sized 0.5 µm or greater per ft³.

Gas Equipment

The Yazaki Group began selling liquefied petroleum (LP) gas meters for the first time in Japan in 1963 and has worked hard to develop the LP gas industry and ensure a stable supply and the safety of LP gas through the provision of various products and services to date.

In fiscal year 2021, from the perspective of stable gas supply, we launched the *Hot Water Circulation Type ARORIZER*, an LP gas vaporizer based on the concept of being compact, lightweight, environmentally friendly, and with monitoring capabilities. The industry-first monitoring function (according to our research) enables users to constantly monitor the vaporizer's operation status and ensure stable supply by carrying out preventative maintenance to avoid breakdowns and other issues.

To help gas distributors acquire expertise and technical skills, we also hold training courses four times a year for the nationally certified LP gas equipment operator qualification. In fiscal year 2023, we held the four training courses online, with 75 of the 77 participants passing.

Environmental Systems Equipment

In our environmental systems equipment business, we have been developing heat-focused solutions using renewable energies such as solar thermal and wood biomass, as well as unused energies like waste heat, through products and services designed to support

the realization of carbon neutrality. In fiscal year 2023, we added solar power systems to our lineup of power solutions. Our business model now offers end-to-end services for solar power systems—from design, procurement, and installation to after-sales maintenance—enabled by our engineering expertise and maintenance network cultivated through the *Aroace* air conditioning system. This approach ensures a safe, high-quality renewable energy supply service.

In particular, we launched a Power Purchase Agreement (PPA) through the Group subsidiary Techno Yazaki Co., Ltd. as the designated PPA provider. Moving forward, we plan to actively sell solar power generation systems to customers outside of the Yazaki Group.

Providing Information on Product Safety

We provide product instruction manuals with handling precautions and information to users to ensure that products are used safely. For example, in our electric wires, gas equipment, and environmental systems equipment businesses, we have made it easier for users to find the information they need by including relevant information and product support information on our websites. In our in-vehicle safety & service systems business, we also conduct training for retailers using installation and handling manuals and provide regular training on new and existing products.

Working to Improve Quality

At the Yazaki Group, all divisions work together in accordance with relevant laws, regulations, ordinances, and standards to meet the expectations of its customers throughout the world by continuously providing safe and high-quality products and services.

For example, in our automotive business, we have established the Global Process Management System (GPMS), an integrated global framework for quality assurance across all stages, from product planning to design, production, and sales. We also work to fully achieve the quality, cost, delivery, environment, and safety (QCDES) goals and effectively improve the quality of our work itself through initiatives for providing products and services to our customers that leverage the strengths of the Yazaki Group. In addition, we

Topics

Selected as one of Clarivate's Top 100 Global Innovators 2024

Yazaki has been recognized by Clarivate PLC (Headquarters: London, U.K.) as one of the Top 100 Global Innovators 2024. This award analyzes intellectual property and patent trends based on the patent data owned by Clarivate, a global information services company. Innovation is evaluated using four elements: Influence, success rate, geographic investment, and rarity, with the top 100 innovative companies selected globally. Yazaki was recognized for having a balanced evaluation across all these elements, being awarded for the sixth time.

Moving forward, we will continue to accelerate innovation in new fields beyond our existing businesses, promoting intellectual property activities leveraging our global network to create new value.

Top 100
Global
Innovator
2024

Clarivate™

obtain, maintain, and manage various quality standard certifications, such as ISO 9001, a quality management system standard that ensures the continuous provision of high-quality products to customers globally, and IATF 16949, a quality management standard specifically designed for the automotive industry.

With an eye toward the business viability of the new business domain of flying cars, we are working to acquire certifications according to international standards for quality management systems in the aerospace and defense industries (AS/EN/JIS Q 9100),

as well as complying with national regulations (safety standards) for the manufacturing and sale of electrical products, and acquiring product certifications. Through these efforts, we continue to promote initiatives in each business division to meet customer requirements and expand our business.

In addition, to prevent compliance violations such as quality inspection fraud, we engage in quality improvement initiatives including internal audits and quality management training, striving to continually provide safe, high-quality products and services.

Resolve social issues through our business

The Yazaki Group is helping realize a sustainable society through not just products that support a mobility society and products and services that can utilize a wide variety of energy sources, such as solar heat, waste heat, and wood pellets, but also an extensive range of business activities corresponding to nursing care, agriculture, the environmental recycling, and other areas.

◆ Contributing to the Development of a Sustainable Society

Automotive Business

Various initiatives are being promoted around the world to minimize global warming and achieve carbon neutrality. In the automotive industry, one such effort is the promotion of electrification. To support the future of electrification, we are developing products that contribute to optimal battery placement and installation, helping to meet electric vehicle needs such as extended range, reduced charging time, and the utilization of existing charging infrastructure. As an example, through products such as cell contact systems and highly flexible wires, we are optimizing space within vehicles by reducing the height of components, integrating various elements, and enhancing flexibility. This allows for the installation of more batteries, thereby extending the driving range. Additionally, by utilizing junction boxes that enable high-voltage electric vehicles to charge with existing charging equipment through direct parallel switching of batteries, we are supporting the widespread adoption of EVs.

Furthermore, we are advancing initiatives toward achieving carbon neutrality by developing components using recycled materials in collaboration with material manufacturers, and by reducing the use of petroleum-based resins in parts through the use of natural materials like bamboo.

Mobility Services

As part of our business activities that focus on contributing to the achievement of the SDGs, we develop and provide services that utilize technologies and data cultivated through our mobility services business. For four years now, we have also been engaging in initiatives in Okinawa to reduce rental car accidents among visitors, which have become a community concern for the popular tourist destination. In fiscal year 2023, with the easing of the COVID-19 pandemic and an increase in inbound tourism, we launched a full-scale pilot project targeting international travelers. Additionally, by analyzing accident data from the Okinawa Prefectural Police and overlaying it with big data from passenger and commercial vehicles, we are proposing infrastructure measures aimed at preventing traffic accidents. This initiative, which is being advanced through collaboration between industry, academia, and government, contributes to overall traffic safety efforts in the car society.

General Transportation Equipment

In our general transportation equipment business, we seek to realize a safe, low-carbon society through the provision of solution services featuring advanced safety management practices. These services leverage in-vehicle safety & service systems and data to address issues affecting transportation, logistics, and passenger industries, namely safety and security, the environment and energy conservation, productivity improvements, and

efficiency and convenience. This aligns with our vision of connecting vehicles, infrastructure, and information.

The AI-driven digital tachograph, *YDX-8*, released in 2023, features enhanced safety driving support functions thanks to its AI-powered image recognition capabilities, which can identify lead vehicles, lanes, road signs, and traffic signals. Additionally, the upgraded cloud-based operation management system, *ESTRA-Web2*, improves on previous models with enhanced driver check and labor management functions, as well as more advanced analysis tools to support safe and energy-efficient driving. Through these new services, we will continue to contribute to solving challenges in the transportation and logistics industries.

AI-related Services

In the AI digital business, we are providing the AI safe driving solution, *TRUE SAFE*, to promote safety within the transportation industry. This service supports safety guidance efforts made by operation managers in transportation companies. By combining millions of data points (operational and accident data) collected from the Yazaki Group's digital tachographs with AI technology, we are able to achieve highly reliable accident predictions. Around half of the accidents in transportation companies occur within parking lots or facilities, with most of them happening during reversing*. To address this issue, we will roll out *TRUE SAFE 2.0* in 2024, focusing on preventing backing accidents. Initial reports show that there has been a reduction in accidents among customers who have adopted the system.

Moving forward, we will continue to expand and refine system functions based on customer feedback, further contributing to the safety and security of the transportation industry.

* The calculation was based on the symposium by the Transportation Digital Business Conference concerning safety in transportation business 2023 through IT and advanced technologies.

Electric Wires

Our various types of electric wires and cables, which support social infrastructure, are being used at many construction sites. To support the construction industry, which is facing issues such as an aging workforce and associated personnel shortages, our electric wires business contributes to improving work efficiency by providing products that enable work to be carried out safely, securely, and in a short period of time. For example, our *Yawaraka* (Moldable) cable reduces installation work time as it is easily reshaped, and our branched cables and unit cables are processed at factories in advance, thereby eliminating processing work that was previously done on-site. We will continue to provide products with exceptional workability to solve the issue of personnel shortages arising from increased construction demand in the construction industry.

For the environment, we adopted biomass plastic for shrink packaging* in March 2023 in an industry-first initiative. The inclusion of plant-derived material in

the shrink packaging contributes to the reduction of CO₂ emissions.

We will continue to contribute to the realization of a sustainable society by providing products that contribute to construction efficiency and the environment.

* A plastic film that shrinks with heat to wrap around containers.

Gas Equipment

In recent years, efforts have been made to harness the IoT and LPWA* systems for wireless communications with the aim of rationalizing the LP gas business in response to such issues as depopulation and labor shortages in the LP gas industry. To assist the operation of gas centralized monitoring centers, the Yazaki Group provides automatic meter reading services and undertakes contract work for night and holiday security tasks, thereby playing a role in the work-style reform of gas sales business operators and contributing to solving their issues.

* Low Power Wide Area: A collective term for low-power, wide-area wireless communications

Environmental Systems Equipment

Global warming is making outdoor crop cultivation increasingly difficult. Additionally, while the world's population is growing, the agricultural workforce is declining, raising concerns about the sustainability of global food production systems. In response to the challenges posed by warming climates and the difficulties of outdoor cultivation, indoor plant factories, which employ air conditioning systems, are gaining attention. However, many plant factories face significant hurdles, including high initial investments and high energy consumption, making them vulnerable to fluctuations in energy prices.

To address these difficulties, the environmental systems business has begun joint research with Cultivera Co., Ltd. an agritech venture company, to develop a practical off-grid* agricultural system. The aim is to provide a farming solution that is adaptable to various global environments toward the realization of our Corporate Policy that calls for "A Corporation in Step with the World." (See related information on page 41.)

* An energy self-sufficiency system independent of external infrastructure

Nursing Care, Agriculture, and Environment & Recycling

In the 1990s, amid the globalization of the automotive industry, the Yazaki Group has been relocating production sites from Japan to overseas, which has led to the hollowing out of our domestic business. The Yazaki Group in Japan is working on businesses related to nursing care, agriculture and food, and environmental recycling in order to take on the challenge of solving problems faced by local communities, including declining rates of childbirth, aging, and depopulation, while protecting local jobs.

In our nursing care business, a total of five companies provide services such as home-visit care and nursing homes. Each of these companies has been offering services tailored to the local characteristics and culture for over 15 years, becoming an essential facility for the local residents. As of the end of April 2024, 736 individuals were utilizing these services, and we are paying utmost care to ensure they can be used in a safe and secure manner. In addition, as part of our community contribution efforts, we hold a Dementia Support Worker Training Course at “*Kami Fuser*”, the Yazaki Nursing Care Center (Susono City, Shizuoka Prefecture) to foster local support workers who better understand dementia, the feelings of sufferers, and support methods. With the cooperation of the local community, we help train roughly 100 support workers in Susono City each year.

In our agriculture business, we collaborate with local producers, companies, and municipalities to cultivate and sell specialty agricultural products, such as tomatoes. Additionally, as part of our food loss prevention efforts, we process irregularly sized products into processed items like ready-to-eat meals and juices. In our food business, we manufacture and sell processed food, such as sorbet and cookies, made using local specialty products.

In our environmental recycling business, we manufacture and sell cushioning materials made from recycled shredded postcards. In the future, we will further advance this business by addressing environmental and regional challenges not only with shredded postcards but also by utilizing wastepaper and sawdust generated internally.

We will continue to be involved in projects to induce the resolution of social issues faced by local communities in concert with regional partners.

Forest Regeneration Initiatives and Afforestation Projects

In cooperation with the town of Yusuvara in Kochi Prefecture, in October 2006, the Yazaki Group

launched a Wood Biomass Community Recycling Program promoted through a tri-sector collaboration involving local governments, forestry associations, and companies. Under the program, we carry out forestry conservation and regeneration activities with Yusuvara to contribute to the sustainable recycling of forest resources.

Since fiscal year 2021, we have participated in the Reiwa Forest Building Project launched by Yusuvara with the aim of promoting sustainable natural capital and a coexistence model. Under the project, we have engaged in initiatives based on dialogue and cooperation toward formulating and implementing its “Vision for Redefining the Value of Forests.” We have conducted tree planting every year since 2021 as part of these efforts.

Year	Tree planting area	Number of trees planted	Total number of participants (Number from Yazaki Group)
2021	0.2 ha	600	72 (30)
2022	0.2 ha	600	84 (38)
2023	0.39 ha	500	90 (40)

At the same time, Japan's forestry industry is facing a challenging environment due to the rise of inexpensive imported timber, along with the shortage of workers in the field, which has led to inadequate forest management. To pass on rich forests to future generations, we entered into an afforestation project in Yusuvara Town in April 2023 in collaboration with Shikoku Parts Co., Ltd. Through this initiative, we seek to create a sustainable forestry cycle encompassing planting, growing, harvesting, and utilizing. By leveraging our unique technologies, experience, and values, we aim to enhance safety in afforestation work, move away from the traditional forestry tasks that are considered dirty, dangerous, and difficult by promoting labor-saving and reduced workforce solutions, contribute to carbon neutrality, and create new value beyond industry boundaries, thereby contributing to the sustainability of the forestry sector.



Processed foods made from locally produced specialties and cultivated products



Forest planting in Yusuvara Town

Promote open innovation

We are promoting open innovation together with companies and universities for the purpose of boosting the sustainable growth of society and companies by solving business issues and developing new technologies and business models with new ideas, through proactive acts of co-creation and partnerships with outside parties.

◆ Examples of Open Innovation Initiatives

Environmental Protection Agricultural System

Yazaki Energy System Corporation is working toward the practical application of an off-grid agricultural system that utilizes natural energy and waste heat. In collaboration with the agritech venture company Cultivera Co., Ltd., we conducted a demonstration experiment for an environmental protection agricultural system in fiscal year 2023.

● Overview of the Environmental Protection Agricultural System

Demonstration Site Location:	Hamamatsu Factory (Hamamatsu City, Shizuoka Prefecture)
Period:	October 2023 – January 2024
System Components	1. Energy control (Solar power, solar heat, wood biomass, and unused heat) 2. Environmental control (Creation of a space with “year-round spring”^{*1}) 3. Cultivation technology (Cultivera’s patented membrane-based cultivation method “Moisculture”) 4. AI control 5. ICT technology (Labor-saving via remote operation, etc.) [*] Components 1, 2, and 5 are provided by Yazaki Energy System Corporation, Component 3 by Cultivera Co., Ltd., and Component 4 by a trading company partner.
Utilized energy	Solar power, solar heat, wood biomass, waste heat, unused energy such as well water
Crops cultivated	Strawberries

This system aims to reduce energy costs by effectively utilizing unused energy, including renewable energy, achieve the five T's^{*2} of agriculture, and realize environmentally friendly cultivation. In particular, this system aims to harness solar heat and waste heat—previously challenging to utilize effectively, such as residual heat generated during machinery operations—to produce cold water. By creating a controlled, spring-like climate year-round within the closed demonstration site, the system enables stable crop production.

Based on the demonstration results, effective management of the growth environment for crops, using natural energy and waste heat alongside Moisculture's cultivation technology, enabled the production of high-quality strawberries with low energy consumption, ultra-efficient water use, and zero wastewater—resulting in minimal environmental impact. Harvest yields matched or even exceeded those of conventional greenhouse farming. Furthermore, by prioritizing solar heat, waste heat, and natural energy (outside air), the system achieved approximately a 60% reduction in electricity usage for greenhouse climate control compared to using electric heat pumps. Additionally,

solar power allowed for a reduction of over 50% in LED electricity consumption. These results confirmed that the “year-round spring” climate within the greenhouse could be maintained with significantly lower energy than initially anticipated.



Demonstration site (Hamamatsu Factory)

Going forward, we will conduct demonstration tests from spring through summer, aiming to recreate spring-like climate conditions during the challenging summer season. This will involve maximizing the effective use of solar heat, waste heat, and well water.

^{*1} Artificially creating spring-like climate conditions year-round

^{*2} The 5 T's of agriculture: Timely, Target quantity, Target quality, Target cost, and Target labor

Launch of Autonomous Bus Equipped with Watch-Over System

Yazaki Innovations, Inc. (U.S.A.) has launched an autonomous bus equipped with the Watch-Over System^{*}, featuring passenger posture and language recognition functions, in Tartu, Estonia, which was selected as the European Capital of Culture 2024.

As autonomous driving technology advances, the need for a safer and more comfortable space in unmanned vehicles is increasing. With this in mind, in November 2023, we proposed this project to Auvetech and the city of Tartu. After receiving support for the project, we engaged in discussions with Auvetech, which developed and manufactured the bus, as well as with the Tartu city government and our system development partner, Avanti. Public road operations began in June 2024.

Moving forward, Yazaki aims to improve the accuracy of recognition functions by further accumulating data from the Watch-Over System. Leveraging the achievements of this project, Yazaki is committed to contributing to the realization of a safer, more comfortable mobility society.



Stakeholders together with the bus equipped with the Watch-Over System

^{*} The Watch-Over System uses edge computing to monitor the conditions inside the vehicle, instantly digitizing real-time information, processing it on-site, and then providing feedback to the real world. This enables posture and language recognition processing, delivering alerts and useful information to passengers.

◆ Priority Issue

Build healthy and solid supply chains

As social issues become diversified and increasingly complex, it will be important to engage in sustainability across the entire supply chain. Based on the principle of fair, equitable, and good-faith dealing with its suppliers, the Yazaki Group shares its sustainability-related policies and goals and works together on resolving social issues. In order to prevail in the face of intense competition in the global marketplace, we will also endeavor to coexist and co-prosper with our suppliers, build strong, strategic partnerships, and forge a system that will allow us to rapidly adapt to changes in the business environment.



P43 | Promote CSR procurement

Promote CSR procurement

The Yazaki Group has prescribed the Purchasing Guidelines for supply chain management to ensure that there is a shared understanding of CSR matters with its suppliers and to promote procurement in line with CSR together with these parties.

Purchasing Guidelines

Based on the Fundamental Management Policy (4: Conduct business openly and fairly, and aim for coexistence and co-prosperity), we ensure the maximum business opportunity, set short-/long-term targets to be shared with suppliers, then implement coordinated investment and share the newly planned development and cost reduction achievement.

Action Guidelines

- 1 Conduct business openly and fairly
- 2 Strengthen competitiveness together with suppliers
- 3 Aim for coexistence and co-prosperity with suppliers
- 4 Share issues and target in cost reduction activity and its achievement
- 5 Ensure interactive communication based on mutual trust
- 6 In selecting a supplier, consider, not only the quality, cost, delivery time, and technology but also the status of social responsibility initiatives for environment, risk management, compliance, human rights, and labor conditions.

CSR Procurement Initiatives

The Yazaki Group clearly presents expectations to suppliers in regard to such matters as quality, technology, price, the environment, the working environment, information security, and safety and security, and we promote CSR activities with our suppliers accordingly.

We publish and distribute our Supplier CSR Guidelines for the purpose of cultivating a shared understanding of CSR and actively promoting CSR activities with suppliers. We also issue and distribute the Green Purchasing Guidelines in which we put together specific actions that we would like our suppliers to take with regard to the environmental protection activities stated in the Supplier CSR Guidelines. In addition to having suppliers carry out their own CSR activities based on these guidelines, we encourage them to do the same with their own suppliers.

In order to ensure that the Supplier CSR Guidelines are instilled and followed, we regularly distribute the Supplier CSR Self-Assessment Sheet and the Human Rights Initiatives Assessment Sheet to our suppliers and ask them to carry out self-assessments related to the state of their CSR initiatives. After reviewing the results of the self-assessment sheets that are returned to us, we take the initiative to engage in direct dialogue with suppliers who require improvement to better understand their situations and encourage them to take action.

In fiscal year 2023, we distributed the Supplier CSR Guidelines and the assessment sheets to 820 suppliers in Japan, Greater China, and ASEAN, and received responses from 727 suppliers (88.6%). Based on the

results, we engaged in dialogue with 10 domestic suppliers and 25 overseas suppliers to encourage their understanding of CSR and ascertain the status of their progress and any difficulties they may be encountering. To achieve carbon neutrality and further strengthen chemical substance management, we revised and distributed the Yazaki Green Procurement Guidelines in January 2024. We also conducted a carbon neutrality workshop for suppliers.

Furthermore, in North and Central America, EMEA, Mercosur, and India, we are promoting CSR procurement practices by assessing the progress in each region and sharing best practices from other areas with those still in the early stages. For example, in India, we developed and launched the Supplier CSR Guidelines in 2023, reaching out to 50 key suppliers. Moving forward, we will continue to collaborate with overseas offices and work closely with suppliers to promote CSR procurement.



WEB Supplier CSR Guidelines

https://www.yazaki-group.com/file/csr_supplier_e.pdf



WEB Green Purchasing Guidelines

https://www.yazaki-group.com/file/csr_green_1.pdf

● Education and Training on CSR Guidelines and Results

The implementation rate of CSR education and training for new members of the Purchasing Division:	FY2023: 100%
Education and training for suppliers (10 domestic, 25 overseas) that underwent CSR interviews:	FY2023: 100%

* The implementation rate is calculated based on the target participants.

Dialogue with Suppliers

Operating in 46 countries and regions around the world, the Yazaki Group aims to optimally procure raw materials, electronic parts, wire harness parts, instrument parts, equipment, and various materials.

In order to share procurement policies and issues through two-way communications with suppliers in different regions around the world, we hold a procurement policy briefing once a year. In fiscal year 2023, the briefing was held online for Japan and each overseas region. Taking our business situation into consideration, we had a total of 172 companies in Japan and 170 companies overseas participate to share details on business environments surrounding the Yazaki Group and our procurement policies. Additionally, four domestic suppliers that have contributed to enhancing our procurement activities from the perspective of technical innovations, cost reduction activities, quality improvement, and environmental efforts, were invited to an awards ceremony where we expressed our appreciation for their ongoing support.



Scene from the annual Yaei-kai general meeting held in September 2023

Supplier Consultation Service

The Supplier CSR Guidelines include a contact that suppliers can reach out to if they become aware of, or suspect, any violation of agreed terms. This service has been in place since 2016.

When an inquiry is received, the inquirer is promptly notified of its receipt, and the matter is handled in cooperation with relevant departments, such as Legal or HR, depending on the issue. The outcome of the response is then reported back to the inquirer.

Initiatives for Achieving Coexistence and Co-prosperity with Suppliers

Endorsing the initiative of the Council on Promoting Partnership Building for Cultivating the Future promoted by the Japanese government, four Yazaki Group companies* formulated and announced a Declaration of Partnership Building in April 2022 to strengthen relations with suppliers.

The Yazaki Group in Japan runs Yaei-kai, a cooperative whose members consist of 22 supplier companies in Japan, to promote CSR and encourage a thorough commitment to daily management across the entire supply chain through regular general meetings and workshops.

In fiscal year 2023, in addition to holding the Yaei-kai's general meeting in September, we held a seminar on human rights and information security to deepen the understanding of the importance of CSR procurement throughout the supply chain. In May 2024, we hosted a workshop on carbon neutrality and human resource development, featuring an external lecturer. We also organized site visits to exemplary companies for member companies of the cooperative, sharing best practices in safety and security initiatives, with the aim of fostering personnel with the ability to apply what they have learned about fire and explosion prevention in their decision-making and actions.

* Yazaki Corporation; Yazaki Meter Co., Ltd.; Yazaki Parts Co., Ltd.; and Yazaki Energy System Corporation

Thorough Management of Environmentally Hazardous Substances

To thoroughly implement preventative and recurrence prevention measures for incidents involving hazardous substances, the Yazaki Group conducts surveys on its suppliers' use of chemical substances and substances subject to regulations and approval, and on the state of product assurances. We also carry out inspections of work processes to ascertain the state of work process management. Specific phthalate esters have been added to the restricted substances list of the RoHS Directive.*¹ As there is the possibility these substances can transfer when in contact with other substances, we regularly measure their content in the products we purchase from our suppliers (excluding metal-based products) to verify safety.

In addition, following the revision of the GADSL,*² we have worked to share information with suppliers to ensure appropriate reporting is carried out in accordance with the General Rules and Guidelines Concerning the IMDS*³ Data Sheet, striving to uphold legal compliance with our suppliers.

*¹ EU directive on the restriction of the use of specified hazardous substances in electrical and electronic equipment

*² Substance list established under the collective agreement of a group comprised of various automotive manufacturers throughout the world

*³ International Material Data System

Responsible Procurement of Minerals

The Yazaki Group promotes procurement activities based on the Global Responsible Mineral Policy in order to avoid directly or indirectly funding armed groups, the perpetration of every kind of human rights abuse, including abuse stemming from the use of child labor, and environmental destruction in Conflict-Affected and High-Risk Areas (CAHRAs), including the Democratic Republic of the Congo and neighboring countries.

Societal requirements concerning responsible mineral procurement are intensifying, such as those set forth in the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), the EU's Conflict Minerals Regulation, and the Organisation for Economic Co-operation and Development (OECD)'s Due Diligence Guidance. With this trend, the number of countries, risks, and minerals targeted by these requirements is also growing. To respond to this changing environment, we collaborate with our suppliers and industry groups to investigate smelters that produce minerals used in our products (tin, tantalum, tungsten, gold, cobalt, and mica). Moreover, as a member of the Responsible Minerals Initiative (RMI), an international

organization that works to promote the responsible procurement of minerals, we implement initiatives to ensure that we use smelters that comply with the RMI's audit program and cooperate in activities conducted by the organization.

We will continue to work on further collaborating with suppliers and various industry groups, and take action to refrain from using minerals from smelters of concern whenever their use is identified.



WEB Global Responsible Mineral Policy

<https://www.yazaki-group.com/en/csr/csr/#humanrights>

Corruption Risk Assessment of Suppliers

We distribute the Supplier CSR Guidelines, which include anti-corruption provisions, and request that suppliers comply with them. At the same time, we assess the status of internal rules and compliance regarding anti-corruption through a checklist. In the event of a violation or potential violation of the items listed in the guidelines, we request that the supplier report it through the consultation window.

Voice

**Purchasing Division,
Japan Region**

Mitsuyo Matsuda

Subdivision Manager
Purchasing Control Subdivision,
Purchasing Division
Yazaki Corporation



To deliver high-quality products to our customers consistently, the cooperation of our suppliers and the establishment of a healthy and robust supply chain are essential.

In the Yazaki Group, we share common challenges arising from the rapidly changing and complex business

environment through the annual procurement policy briefing sessions for our suppliers. By communicating our policies and goals for stable supply, we ensure a better understanding of our business activities. In addition, each employee in the Purchasing Division values communication with our suppliers, working diligently to identify their concerns and provide support.

It is anticipated that we will continue to face challenges such as fluctuations in labor and raw material costs, the worsening of environmental issues, and a shortage of successors due to the declining workforce caused by a shrinking and aging population. Through continuous two-way communication with our suppliers, we aim to build strong partnerships and address social issues across the entire supply chain.

◆ Priority Issue

Establish a truly strong organization

The Yazaki Group believes that realizing the Fundamental Management Policy principle of “Care for people by creating a corporate culture that prioritizes individuality and teamwork, while empowering people’s dreams” will allow us to grow as an enterprise. In keeping with this principle, we intend to establish a satisfying working environment where all employees can reach their potential and where diverse work styles can be accommodated. In addition, our intent is to continually increase organizational capability and productivity. Our focus will be on promoting diversity, equity, and inclusion (DE&I), developing global human resources, and securing excellent personnel with outstanding skills.



P47 Promote DE&I

P48 Improve job satisfaction

P49 Develop the next generation of human resources

P51 Foster the corporate culture

P51 Promote health management

P54 Strengthen occupational health and safety

Promote DE&I*

The Yazaki Group has a variety of global business segments and considers it important that human resources play active roles in its enterprise. We work to establish a working environment where all employees can achieve their full potential by respecting diversity in terms of nationality, race, ethnicity, gender, sexual orientation, gender identity, disability, age, place of origin, educational background, family relationships, religion, or differences in form of employment, and by providing equal opportunities to all individuals without being swayed by social backgrounds, prejudices, or assumptions.

* Diversity, Equity, and Inclusion. The practice of respecting and accepting diversity among individuals and providing equal opportunity.

Promoting Active Roles for Women

The Yazaki Group has developed and is implementing a five-year action plan based on the Act on the Promotion of Women's Participation and Advancement in the Workplace to support the active career building of female employees.

In fiscal year 2023, as part of this plan, we relaxed certain policies, such as allowing remote work during long-term training, to promote telecommuting. By April 2024, the implementation rate of systems that contribute to flexible work styles reached 87%, surpassing the initial target of 50%. Additionally, the ratio of female experts reached 8.0%, achieving the initial target set. We will continue efforts to increase female management candidates and female experts.

● Action Plan for General Employers Based on the Act on Promotion of Women's Participation and Advancement in the Workplace

Plan period	5 years (From April 1, 2021, to March 31, 2026)
Target 1	Increase the percentage of female management candidates from 3% in April 2021 to 7% or more and female experts from 4% in April 2021 to 8% or more
Target 2	Increase the introduction of systems that contribute to flexible work styles at sites (flextime, staggered working hours, work-from-home) from 23% in April 2021 to 50%

Active Roles of Older Workers

The Yazaki Group strives to establish post retirement reemployment systems (Senior System, Anchor System, and Elder System) to reemploy retired employees who possess advanced techniques and technical skills. In fiscal year 2023, we employed 72 employees in Senior* positions, 605 in Anchor* positions, and 136 employees in Elder* positions. In addition, we are working to secure employment opportunities for older persons up to the age of 70 in accordance with the Revised Act on Stabilization of Employment of Elderly Persons enforced in April 2021.

* Senior and Anchor Systems target permanent employees, while the Elder System targets associate employees.

Expanding Employment and Work Fields of Persons with Disabilities

The Yazaki Group is striving to create a working environment where all employees can make the most of

their skills and aptitudes and work with enthusiasm; the Group is positively working to employ persons with disabilities. In April 2023, our special subsidiary Yazaki Business Support Co., Ltd., was the fifth Company in Shizuoka Prefecture to be recognized as an outstanding small and medium-sized employer for the employment of persons with disabilities (Monisu Certification System*¹). To actively promote the employment of persons with disabilities, in fiscal year 2023, the Yazaki Group welcomed interns from special support schools and welfare organizations. Moreover, to enhance the motivation and expand the job scope of employees with disabilities, the Group internalized the cleaning of vacant company housing rooms, which had previously been outsourced to external contractors.

In fiscal year 2023, we employed 338 persons*² with disabilities, including those newly hired, working toward an employment rate of persons with disabilities of 2.82%*².

We will continue efforts to review and improve the internal system so that employees with disabilities can work more comfortably in the future.



*¹ The Monisu Certification System is a program through which the Minister of Health, Labour and Welfare of Japan certifies small and medium-sized enterprises excelling in efforts toward advancing and stabilizing the employment of persons with disabilities.

*² A total of Yazaki Corporation, Yazaki Meter Co., Ltd., Yazaki Parts Co., Ltd., Yazaki Energy System Corporation, and the special subsidiary Yazaki Business Support Co., Ltd., calculated on the basis of the Act on the Promotion of the Employment of Persons with Disabilities

Topics

Participation in "Dialogue with Employers"

The event, "Dialogue with Employers," was organized by the Shizuoka Prefecture Special Subsidiary Liaison Council, bringing together companies, educational institutions, and government agencies actively engaged in the employment of persons with disabilities. The event was held in the western, central, and eastern regions of Shizuoka Prefecture, as well as the Izu region, and facilitated the exchange of information and addressed various concerns from individuals with disabilities seeking employment, as well as their caregivers.

Yazaki Business Support Co., Ltd. participated as a facilitator, and attendees appreciated the valuable insights provided on the requirements for employment in companies.

Improve job satisfaction

The Yazaki Group responds to changes in the social environment and satisfies the needs of employees. Our goal is to be an enterprise that is attractive for employees, their families, and other stakeholders, as well as the community, and thus we strive to create workplaces where employees can work comfortably and feel rewarded. The Yazaki Group is striving to build trust relationships between labor and management by engaging in active communication, establishing a fair and equitable personnel system, and increasing employee engagement.

Improving Comfortable Workplaces

The Yazaki Group strives to create workplaces where all employees can demonstrate high motivation and achieve satisfaction. Over the years, we have continued to raise awareness of labor management and work-style reform and protect the mental and physical health of employees through efforts such as requesting that our workplaces monitor long working hours, conducting overwork prevention education, distributing lists of employees working over 80 hours of overtime per month to each division, and disclosing the status of monthly paid leave usage. In addition, we are implementing systems such as work-from-home to support flexible work styles for employees.

We will continue to provide employees with rewarding workplaces where their safety and security are ensured and they can work in a healthy and comfortable way and develop professionally.

Promoting Work-life Balance

The Yazaki Group is creating a culture where employees can use childcare and nursing care systems as needed. Since 2022, under the revision to the Child Care and Family Care Leave Law, companies are obliged to inform their employees of their childcare systems. In line with this law, and to encourage the use of our systems, we have outlined matters in guidelines on giving explanations at each workplace and are thoroughly checking whether eligible employees intend to take leave. We also made efforts toward fostering a culture where male employees can feel comfortable taking childcare leave, such as introducing those who have taken leave in our online internal newsletter. Due to these activities, the rate of male employees using childcare leave increased from 2.2% in fiscal year 2018 to 53.3% in fiscal year 2023. Additionally, with the revision of the Childcare and Family Care Leave Act scheduled for 2025, we will promote initiatives aimed at creating a system and fostering a work culture that makes it easier for employees to take nursing care leave if desired. Going forward, we will continue activities to make our company a place where employees can easily balance their work, childcare, and nursing care obligations.

● Number of Employees Who Took Leave for Childcare, Nursing Care, and Elderly Care*1

Category		FY					(Employees)
		2019	2020	2021	2022	2023	
Childcare leave	Male	20	33	53	78	106	
	Female	78	57	60	69	67	
	Total	98	90	113	147	173	
Retention rate after childcare leave the previous fiscal year*2	Male	100.0%	100.0%	100.0%	90.6%	96.6%	
	Female	98.4%	100.0%	96.5%	96.7%	100%	
Short working hours due to childcare		206	225	347	340	383	
Nursing care leave		109	94	121	124	180	
Continuous elderly care leave		2	5	6	5	4	
Short working hours due to elderly care		3	6	7	4	4	
Elderly care leave		11	24	25	25	32	

*1 Corporations covered: Yazaki Corporation; Yazaki Meter Co., Ltd.; Yazaki Parts Co., Ltd.; and Yazaki Energy System Corporation

*2 Retention rate = Number of employees working 12 months after returning from childcare leave / Number of employees who returned to work from childcare leave

Sincere Dialogue with Employees

The Yazaki Group believes mutual understanding and relations of trust between labor and management should lead to the growth and development of both the group companies and employees; consequently, the Group is working to improve its personnel system and workplace environment in collaboration with the Yazaki Labor Union. In the Yazaki Group Labor-Management Joint Declaration, we have set forth our commitment to the creation of a corporate atmosphere and culture that fosters mental and physical health. To realize this, the Labor Affairs Review Committee and Branch Office Labor-management Conference meet once a month, in addition to the annual labor council, to examine regulations and verify performance. We also strive to exchange opinions between labor and management through bian-nual branch office visits.

In fiscal year 2023, we conducted a trial for the introduction of a system that allows employees to take annual paid leave on an hourly basis, aimed at enabling greater flexibility in work. This system was successfully implemented in July 2024. We will continue to promote

activities for improving the working environment through collaboration between labor and management.

Further Improving the Personnel System

A personnel system of the Yazaki Group called Rewarding Employees Who Worked Hard has been established to properly evaluate employees motivated in their roles and who have produced excellent results.

This system covers all employees, and evaluations are conducted based on the two approaches of “Management by Objectives” and “Role Behavior.” Superiors and subordinates set and confirm annual goals and priority action items at the beginning of each fiscal year, and evaluations are conducted on a half-yearly basis. In fiscal year 2023, we continued efforts to ensure proper labor management by providing training for newly appointed managers, aiming to further disseminate the practice of setting appropriate goals for evaluations.

In addition, we are considering making part of the evaluation index for management at the overseas regional headquarters the same as the index used at domestic sites in order to create fair and equitable personnel evaluations throughout the Group.

Enhancement of Employee Welfare Benefits

The Yazaki Group is working to enhance employee welfare benefits based on its belief that both a sound working and living environment are important in enabling employees to play active roles. In addition to maintaining cafeterias at sites with many employees, we provide lunch cost assistance to sites that do not have cafeterias. We also support our employees in living stable lives by providing dormitories for single employees and those working away from their families, as well as company

housing. To enable our employees to easily prepare for their retirement, we have put in place a retirement benefit plan and defined-benefit pension plan, and we have also established a non-mandatory defined contribution pension plan. In addition, the Yazaki Employee Stock Ownership Plan allows employees to purchase Yazaki Corporation's shares through contributions deducted from their salaries, using dividends as a means for wealth accumulation. The Yazaki Cooperative Association, established based on labor-management cooperation, organizes various cultural and sporting activities, and events aimed at improving employees' character and education, while fostering work motivation and camaraderie through mutual aid. In addition, the Yazaki Long Service Commemoration Ceremony is held to honor employees' long years of service and express gratitude for the contributions of their spouses who have supported them. For our overseas group companies, we take into account the laws and customs of the countries and regions we operate in and manage employee welfare benefit systems accordingly.



The 49th All-Yazaki Sports Festival held in October 2023

Develop the next generation of human resources

As work styles expand with the incorporation of diversity, equity, and inclusion, the Yazaki Group will emphasize employee development and work toward human development to bring out the full potential of the individual and the team.

Training System

The Yazaki Group is actively providing learning opportunities to employees who wish to grow in order to foster individuals who can understand and share the Yazaki Group Corporate Policy, proactively tackle changes in the environment, think and act autonomously, and work collaboratively. At the Yazaki Group, education and

training are based on voluntary participation, and we have put in place a variety of programs in Japan and overseas that align with employee growth. In fiscal year 2023, we resumed training sessions such as the Yazaki Leadership Development Seminar, which had been canceled due to the impact of COVID-19, providing opportunities for in-person learning and collaboration.

Yazaki Leadership Development Seminar

The seminar is provided for young managers and manager candidates who were recommended by their division heads. The purpose of the seminar is to develop basic management knowledge and leadership, along with business skills and the mindset of playing an active role in diverse environments. In fiscal year 2023, 20 individuals participated in this seminar.

Yazaki-juku (Management Roundtable Conference and Follow-up Workshop / Discussion Session on Yazaki)

We organized the *Yazaki-juku* (Management Roundtable Conference and Follow-up Workshop/Discussion Session on Yazaki) as a place for employees to exchange views directly with top management, deepen mutual understanding, and gain a wider perspective. The Follow-up Workshop was first held in 1983 where employees who had worked for the Yazaki Group for over five years discussed the principles and objectives of the Yazaki Group with the president. In fiscal year 2023, 11 individuals participated in this workshop. At the Management Roundtable Conference, first held in 1999, department managers exchanged views with the president about their visions of how to manage the workplace. In fiscal year 2023, 24 individuals took part in the conference.

Overseas Trainee Program

In this system, employees acquire the skills required to smoothly conduct overseas work and related operations through language and business training in overseas sites for up to one year. They acquire new perspectives on communication and on how to proceed with operations on a global team. Also, this system gives employees an opportunity to think deeply again about the Yazaki Group Corporate Policy. As of June 2024, two employees had been sent overseas.



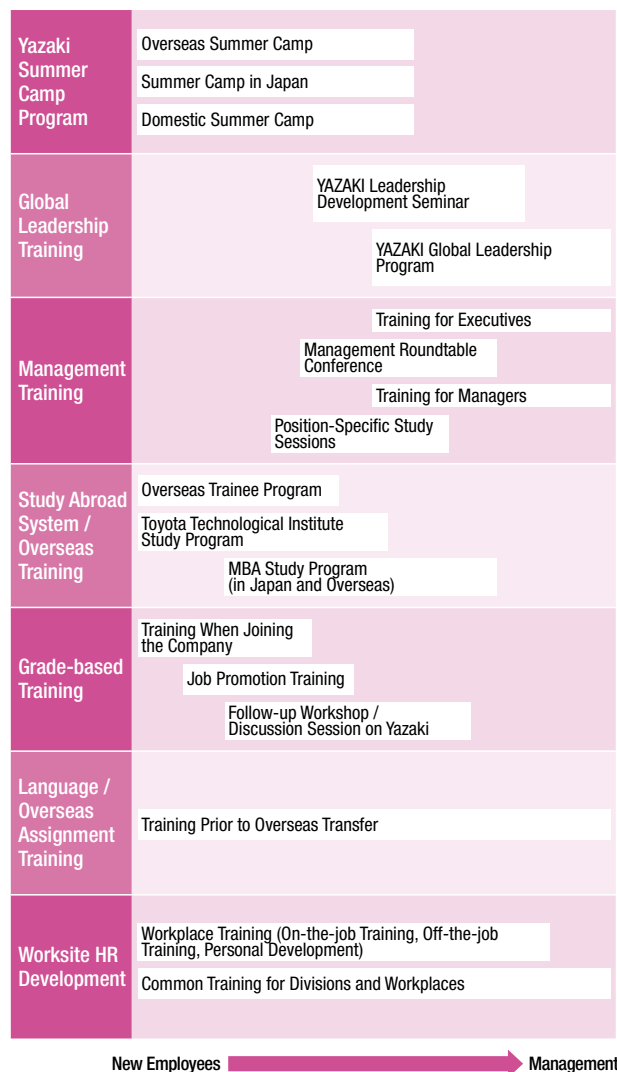
Interaction with local employees (the individual on the left is the trainee who was dispatched)

MBA Study Program

Through the MBA Study Program, we send employees with five or more years of work experience to educational institutions in North America, China, India, and Japan. This program aims to develop the skills required for the corporate operation of the Yazaki Group and to

develop human resources who will play core roles in business in dispatched countries. One employee has been dispatched to Ritsumeikan Asia Pacific University in Oita Prefecture since September 2023, with the goal of obtaining an MBA.

● Educational System Chart



Promotion of Activities That Support International Understanding

The Yazaki Group believes that it is important for employees to combine the skills of creativity, autonomy, language, and an understanding of different cultures to foster global personnel who can take on challenges. Going forward, we would like to expand activities that support international understanding by cooperating in the development of global personnel activities at local educational institutions and other companies.

In fiscal year 2023, we conducted an overseas field and cross-cultural training program where new employees gain hands-on experience at overseas locations while experiencing different cultures. As of June 2024, four employees have participated in Turkey, and three in Morocco.

Foster the corporate culture

The Yazaki Group believes that it is important for employees working in 46 countries and regions throughout the world to share the same values and head in the same direction to achieve the Yazaki Group Corporate Policy. Thus, we are working to disseminate the Corporate Philosophy.

Disseminating the Corporate Philosophy

In each phase of training, including training when joining the company, job promotion training, position-specific study sessions, and training prior to overseas transfer, we educate employees on the Yazaki Group Corporate Policy for the purpose of disseminating, embedding, reaffirming, and increasing understanding of our Corporate Philosophy. We tell employees that an understanding of the Corporate Philosophy, achieved by thinking about the relationship between their own work and the Corporate Philosophy by individuals and as a group, will lead to the development of the company as well as the individuals.

Additionally, we prepare common training materials for the dissemination and entrenchment of the Corporate Philosophy and provide training sessions for management that are run through regional headquarters. In fiscal year 2023, we provided support for this training, managed training plans and results for each regional headquarters, and collected examples of how

our Corporate Philosophy was communicated in training at each site. We will continue to provide support so that training can be continuous in each region in the future.



Corporate Philosophy training for group leaders at EDS Manufacturing, Inc.

Promote health management

The maintenance and promotion of good health for employees are vital in order to achieve their best possible potential. We implement health measures for raising health literacy* to empower each employee to be individually and independently active in improving their health.

* The ability to find and use information on health and treatment

Improving Mental and Physical Health

In accordance with the President's Health Declaration and the Yazaki Group Health Management Strategy Map, which aims for its realization, we put efforts into the management of physical health for early recovery from illness and prevention of exacerbation, as well as the prevention of mental health disorders caused by the workplace environment. To create a workplace where employees can work enthusiastically, three divisions involved in health management—the General Affairs and Personnel Division, the Yazaki Health Insurance Association, and the Wellness Center—have developed a health management promotion framework and are implementing “collabo-health.”*

For physical health measures, we have set the target of ensuring that 100% of Yazaki Group employees receive regular health checkups, and that 100% of

employees at high risk receive follow-up checkups so that they can receive early treatment for illnesses or prevent their worsening.

In fiscal year 2023, we achieved a 100% participation rate in regular health checkups. However, the re-examination rate for high-risk individuals was 83.0%. Moving forward, we will continue to improve the environment to facilitate re-examinations and aim for a 100% re-examination rate for high-risk individuals. During National Occupational Health Week in October, we held a lecture on sleep, targeting all employees.

Mental health measures include stress checks. We actively conduct interviews and offer guidance from doctors (which is legally required) and health-related consultations (with nursing staff for employees with a high degree of stress) so that employees can feel comfortable voicing any concerns. In order to realize a

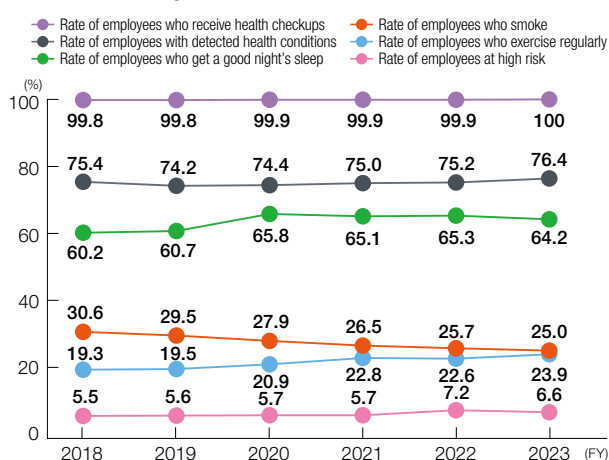
workplace environment where all employees can work comfortably, we strive to improve the workplace environment by examining both the state of stress in workplaces and the results of engagement surveys that quantitatively measure the relationship between employees and the company. There has been continued improvement in the overall health risk score, and in 2023, we achieved a score of less than 100.

As a result of these initiatives, As a result of these efforts, we have been selected under the Certified Health & Productivity Management Outstanding Organizations Recognition Program since 2018.



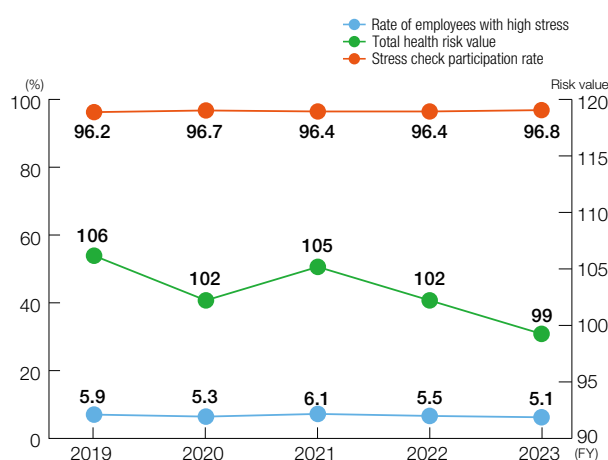
* An arrangement whereby insurers and employers collaborate to efficiently and effectively implement preventative health and health promotion initiatives for subscribers under clearly defined roles and a favorable work environment

● Status of Physical Health*



* Corporations covered: Yazaki Corporation; Yazaki Meter Co., Ltd.; Yazaki Parts Co., Ltd.; and Yazaki Energy System Corporation

● Status of Mental Health*



* Corporations covered: Yazaki Corporation; Yazaki Meter Co., Ltd.; Yazaki Parts Co., Ltd.; and Yazaki Energy System Corporation

● Main Initiatives for Responding to Health Issues

Action item	Health issue	Target	Results	Initiatives
Lifestyle disease prevention	The percentage of employees with detected health conditions (those require follow-up checkups and higher) remained at over 70%, with a high number of people at risk of lifestyle disease.	Less than 70% of employees with detected health conditions	76.4% of employees with detected health conditions	To implement health guidance for as many employees with detected health conditions as possible, we actively encourage employees to receive specific health guidance through their managers in collaboration with the Yazaki Health Insurance Association.
			[Measures] We will aim to reduce the percentage of individuals with health concerns in the medium to long term, while assessing the correlation with various health initiatives.	To lower the percentage of employees who smoke, we support smokers in quitting smoking by cooperating with the Yazaki Health Insurance Association and regularly conducting a company-wide non-smoking day. We visualize health issues at each site by summarizing regular health checkup data in the Yazaki Health White Paper. Each site implements their own health measures to tackle their own issues. We conduct health events in collaboration with the General Affairs and Personnel Division, the Yazaki Health Insurance Association, and the Wellness Center.
Reducing the risk of lost work time and illness	The total health risk value of workplaces is higher than average, and there is a high level of risk for lost work time and illness.	Total health risk value of less than 100	Total health risk value of 99	Based on the results of the stress check and engagement survey, all workplaces identify their own issues in their departments and carry out workplace improvement initiatives. The secretariat also supports workplaces with particularly high degrees of stress over time. With the aim of reducing the impact of stressors, we have added a topic called "Improving Support to Reduce Workplace Stress" to our annual Self- and Line-care Training, working to strengthen support between superiors and subordinates and among colleagues. To prevent the recurrence of lost work time due to mental illness, we manage employees using an original health check sheet after they return to work, and have formed a follow-up system for reinstated employees that supports them in their work duties, health management, and other areas.

Health Management for Those on Overseas Assignment

For employees working abroad, practicing the same health management as in Japan has proved difficult because these individuals must live long term in places very different from Japan in terms of healthcare, sanitation, and food. Therefore, the Yazaki Group provides a special health management system for employees working abroad, to help make health management at least a bit more similar to that of employees working in Japan, and offers equivalent health management to accompanying families.

For employees working abroad and their family members, we aim for 100% participation in annual health check-ups that meet legal requirements for physical health, and 100% participation in annual mental health check-ups. In fiscal year 2023, the health check-up participation rate was 91.1%, and the mental health check-up participation rate was 96%. After the health check-ups, all health data is examined by occupational physicians overseas to ensure early detection of any illness. We also have a 24-hour advice line just for employees on overseas assignments, and they can access the service at any hour from any country. Moving forward, we aim to achieve a 100% health check-up and mental health participation rate, while further strengthening the health management of expatriates.

We reduce overseas health risks by only approving transfers after confirming the current and past physical and mental health history of the employees and verifying local medical services and the site's support framework. In addition, we strive to prevent the contraction and worsening of diseases in the assigned countries by covering costs to ensure that transferees are vaccinated as recommended by the government for each region and distributing household medicine for mild symptoms of diseases.

Efforts of the Wellness Center

The Wellness Center offers a variety of programs to create a corporate culture where employees can develop and nurture healthy ways of living and working and conducts activities to get people working in the Yazaki Group and the organization involved with one another to realize a culture where both can grow healthy.

Specifically, the center appoints Wellness Promoters in each department, who lead activities that heighten wellness. The Wellness Promoters Conference was held in person in fiscal year 2023 for the first time in four years. Wellness promoters from various departments had the opportunity to meet face-to-face and exchange information, which became a driving force for their activities. To further promote wellness initiatives across the Company, we will continue to provide such opportunities in the future.



The Yazaki Group Wellness Wheel. It is comprised of five factors that represent wellness.

Topics

Psychological Safety Initiatives

At the Wellness Center, one of our goals as a “healthy organization” is to create an organization where we help, recognize, and leverage each other. The foundation is “psychological safety,” which we have been working on since 2016. As part of these efforts, one of the initiatives from our Resource Center won the Silver Ring award at the Psychological Safety Awards 2023, hosted by ZENTech, inc. We will continue to expand these activities and strive toward building a healthy organization.



Strengthen occupational health and safety

We aim to create a workplace environment where employees can work safely and healthily through the cooperation between the Company and its employees. To achieve this, we have established the Global Safety and Fire Prevention Policy and, for the domestic Yazaki Group, the Yazaki Group Health and Safety Policy, with the goal of ensuring the smooth execution of operations.

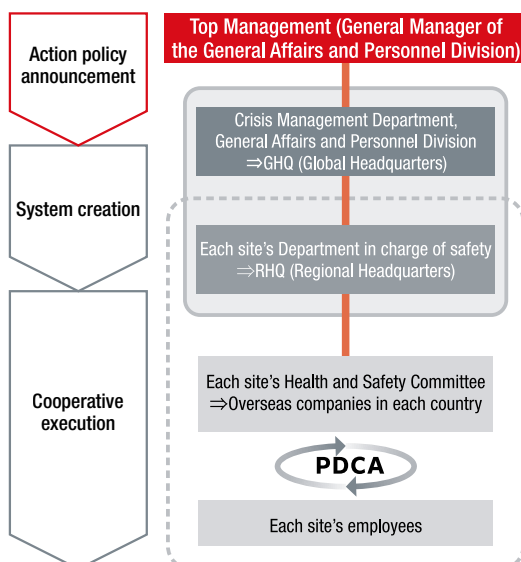
Health and Safety System

Globally, we strive to prevent similar accidents by sharing information about workplace injuries and accidents in accordance with the Global Safety and Fire Prevention Policy. Additionally, we focus on enhancing safety awareness by ensuring strict adherence to essential rules to prevent major disasters.

In Japan, we seek to firmly establish a safety culture based on the Yazaki Group Health and Safety Policy and thus promote the establishment of a safe working environment.

Within our domestic production sites, we strive to improve the working environment by prioritizing the safety of employees, temporary staff, and external contractors through such means as conducting workplace diagnoses to evaluate the level of safety and health management based on the occupational safety and health management system. In the event of an industrial accident, we respond immediately and ensure that information and countermeasures are shared within the company in an effort to prevent the recurrence of similar accidents. In addition, we work to reinforce the health and safety management system by having the Health and Safety Promotion Department conduct verifications, provide guidance, and carry out cross-checks on occupational health and safety at production sites throughout our business.

● Diagram of Occupational Health and Safety System (Global)



FY83 YAZAKI GLOBAL SAFETY&FIRE ACTIVITY OBJECTIVE 8 3期 グローバル安全防火活動方針



Implement the following three items in accordance with "YAZAKI GLOBAL HEALTH & SAFETY 4 GUIDES OF CONDUCT" to prevent occurrence / recurrence of work accidents.

「矢崎安全衛生4つの行動基準」に従って下記3項目を実施し、労働災害の未然防止・再発防止を図る。

1. Legal Compliance 法令遵守

Comply with laws and regulations on safety and fire prevention in each country and region.
職場の安全、防火管理に関する各国・地域の法令や規定を遵守する。

2. Safety Management 安全管理

Global Yokoten

- Implement Yokoten of work accident information and corrective actions at a global level.
グローバルでの労災情報及びその対策を横展開する。
- Each region takes corrective actions in order to prevent similar accidents.
各地域は類似労災発生防止の為に対策を行う。
- Improvement of EHSPS
EHSPSの改善

Work accident KPI 労災 KPI

- Share KPIs for all regions to monitor the occurrence and improvement of work accidents in each region.
各地域のKPIを共有し各地域の労災発生状況及び改善状況を把握する。
- Share improvement activities and good practices of excellent regions to utilize them to reduce work accidents in each region.
優良地域の活動／改善好事例を共有し各地域の労災削減に活かす。

Work Safety Risk Assessment 労働安全リスクアセスメント

- Perform risk assessment focused on hazard identification.
危険源の特定を重要視したリスクアセスメントを行う。
To be performed in all regions.
全地域での実施。

3. Fire prevention management 防火管理

Global Yokoten

- Implement Yokoten of fire information and corrective actions at a global level.
グローバルでの火災情報及びその対策を横展開する。
- Each region takes corrective actions in order to prevent similar accidents.
各地域は類似火災発生防止の為に対策を行う。
- Improvement of EHSPS
EHSPSの改善

Re-emphasize electrical fire prevention 電気火災予防の再徹底

- Prevent electrical fires by conducting inspections based on the "Fire Prevention Inspection Criteria for Electrical Equipment".
『電気機器 防火点検基準』に基づき点検を実施し、電気火災の発生を防ぐ。

Signature: *Hitoshi Sakai*

Date: JUN. 30, 2023

FY2023 Yazaki Group

Health and Safety Policy

1. Top management and all employees take unified action for health and safety initiatives based on compliance and to try to firmly establish a safety culture.
2. Our work sites and the Health and Safety Promotion Department cooperate to maintain and strengthen health and safety management systems, conduct risk assessments, and prevent occupational accidents.
3. We work to further enhance workplace communication and maintain and promote employees' physical and mental health with new measures.
4. We adhere to fire safety regulations and internal procedures to prevent fires from occurring.

Hitoshi Sakai

Director and Executive Vice President
General Manager, General Affairs and Personnel Division
Yazaki Corporation

In fiscal year 2023, we set three safety management activity targets based on the Yazaki Group Health and Safety Policy to address issues in a focused manner.

The industrial accident frequency rate (lost work time) at Yazaki in Japan was 0.37 with a severity rate of 0.0055 in fiscal year 2023. In the future, we will continue Company-wide education efforts to prevent the recurrence of workplace accidents related to tasks that place strain on certain parts of the body, aiming to further reduce the number of occupational accidents.

Occupational Health and Safety Training

In Japan, we seek to improve safety awareness among those in the same workplace based on the Yazaki

● Safety Management Activity Targets and Results (All Domestic Workplaces)

	Target value	Result
Targets	Zero major occupational accidents	0 accidents (Achieved)
	Zero accidents at facilities caused by violations of the "Stop, Call, Wait" rule	1 accident (Not achieved)
	Zero accidents caused by violations of poketenashi * walking fall prevention rules	0 accidents (Achieved)

* Safety acronym for five rules for the prevention of falling while walking

● Frequency Rates of Occupational Accidents / Severity Rate/ Number of Accidents (All Factories in Japan)

	FY2021	FY2022	FY2023
Frequency rate*1	0.45	0.29	0.37
Severity rate*2	0.0068	0.0084	0.0055

*1 Frequency rate of occupational accidents: Number of people injured or who died due to occupational accidents per one million working hours, indicating the frequency of occupational accidents

*2 Severity rate of occupational accidents: Number of workdays lost per 1,000 working hours, indicating the severity of occupational accidents

Group Health and Safety Policy and strive to establish a safe working environment. Within the domestic Yazaki Group, we are working to improve the safety awareness of employees by providing employment stage-specific health and safety training for everyone from new employees to management, practical safety training to heighten employee risk sensitivity, risk prediction training, and traffic safety education. We systematically promote the acquisition of qualifications to secure personnel who are able to take over positions requiring the qualifications of health officers and work supervisors.

Globally, we have defined common training items for the prevention of major occupational accidents, and we conduct training in all regions to increase employee safety awareness and prevent occupational accidents.

Fire Prevention Measures

The Yazaki Group is proceeding with fire prevention measures to protect the lives of employees and corporate assets from fires and prevent any influence on the community and customers.

In response to the recent increase in fires at overseas sites, the Global Safety and Fire Prevention Policy and the Yazaki Group Health and Safety Policy have been revised to highlight the importance of fire prevention management. By promoting fire prevention activities globally and sharing case studies of fire accidents and their countermeasures, we are committed to preventing the occurrence and recurrence of fires across all regions.

We are improving the fire prevention management rules to prevent fires caused by electric facility equipment and chemicals, as well as the fire prevention management system for domestic sites. We periodically check whether fire prevention management is properly conducted and make progress in improvement.

● Health and Safety Training System Diagram (All Domestic Workplaces) * Includes outside training

Aims / Time		Personal development											Workplace creation			System building			
Grade		Entry	Promotion	Specialized											Priority items			Company-wide advancement and follow-up initiatives	
Officials and managers			Seminar for new leaders Seminar for new managers	Training given when work changes Foreman training*	Practical safety training Practical safety training instructor development training	General life-saving workshop*	General life-saving instructor development training*	Training for earning various qualifications (health officers and others)*	Traffic safety education Training unique to workplaces*	Self-care training Line-care training	RTP (Resource Training Program) training	SC (Safety Communication) circle activities Risk assessment initiatives Site health and safety diagnosis Health and safety legal compliance checks	Factories Health and Safety Committees/Meetings of persons in charge Branch offices/Management health and safety liaison councils Nurse training						
General employees	Training for persons joining the company at mid-period	Job promotion training																	
New employees	Training for persons joining the company																		

◆ Priority Issue

Contribute to development of local communities

Local communities provide a foundation for the continued survival of enterprises. As such, an enterprise's growth cannot be separated from the economic and social development of the local communities. Because we do business globally, the Yazaki Group is thankful to people in the many countries and regions that have supported us and enabled us to grow. Therefore, we strive to bring joy and happiness to people around the world by actively addressing problems faced by each country and region as we work to resolve those issues.

We also strive to support the nurturing of children, who will be the drivers of future development in each country and region.



Yazaki Valente's elementary school visit (Japan)



A grant was provided to the Samoa Rugby Union



Donating stationery to a local elementary school (Myanmar)



Support for local elementary school students (China)

P57 | Contribute to development of local communities

Contribute to development of local communities

At the Yazaki Group, we emphasize the contribution to society through Monozukuri and Kotozukuri and the contribution to the development of local communities in partnership with the local people living there. We listen to each community's challenges, expectations, and demands and then promote continuous activities and contribute to nurturing the next generation through our initiatives like the Yazaki Summer Camp Program.

Note: Selected global sustainability initiatives, including those that contribute to the development of local communities, are outlined on pages 81 to 86.

◆ Nurturing the Next Generation

Yazaki Summer Camp Program

As one of our activities that embody the Yazaki Group Corporate Policy, we have held the Yazaki Summer Camp Program since 1977 to provide children, who are our future, with the opportunity for diverse experiences. The program started from the idea of the then-president (present honorary chairman). Since the time busy employees could spend with their children decreased at that time, he wanted to show his gratitude to employees by providing an experience that would serve as a wonderful memory for the children of employees. This program has three different types of camps for the children of employees in Japan and from overseas workplaces, and children from various countries and regions participate in the camps every year.

The Domestic Summer Camp for the children of employees in Japan provides an opportunity to experience group life in the country's rich natural settings. They allow participants to appreciate the vastness of nature, reflect on environmental issues, and learn about discipline and teamwork. The Overseas Summer Camp held in countries with business sites abroad for children of employees from Japan, along with the Summer Camp in Japan that invites overseas children to Japan, enables

children to experience different cultures and gain an understanding of diversity in society, culture, and customs, and expand their international perspectives. The camps also provide opportunities for children to make new friends and have new experiences while increasing their interest in protecting the global environment and deepening mutual understanding through international exchanges. These camps offer children the chance to learn about their parents' working environments through the Yazaki Group factory tours and other activities, allowing them to reflect on the significance of work. The program, through advance training sessions and the day of the event, also serves as a place to develop the



Yazaki Summer Camp in Japan participants in July 2024

● Overview of the 2024 Summer Camp Program (July - August)

	Domestic Summer Camp	Overseas Summer Camp	Summer Camp in Japan
Participants	Children of domestic employees (5th-6th graders)	Children of domestic employees (2nd-year junior high school)	Children of overseas employees (14 years old)
Objectives	1. Reflect on the value of work by visiting parents' workplaces and seeing production sites 2. Learn the importance of discipline and teamwork through group living 3. Appreciate the vastness of nature and consider environmental issues 4. Become "community ambassadors" through local interactions	1. Understand differences between Japan and other countries (society, culture, customs) 2. Engage with local communities and maintain a humble learning attitude 3. Reconsider daily lifestyle habits 4. Develop pride in Yazaki products and the importance of hard work	1. Experience Japanese culture, history, and customs and understand the differences with their own countries 2. Enhance empathy and foster a sense of unity within the group 3. Broaden international perspectives through intercultural exchange 4. Learn about Yazaki's work culture and initiatives
Location	• Yusuhara Town, Kochi Prefecture • Eastern Shizuoka	• Hanoi, Vietnam • Ho Chi Minh, Vietnam	• Shizuoka, Chiba, Tokyo, Kanagawa
Number of Participants	219	135	258 (32 countries)

leadership and communication skills of the employees who participate in the program as instructors. We partner with schools in the local communities, government agencies, and other bodies to put on these camps, so it is also an important opportunity to promote communication with stakeholders.

Since fiscal year 2020, the program was suspended to prevent the spread of COVID-19; however, it resumed in fiscal year 2024.

◆ Supporting the Infrastructure of Local Communities

Yazaki Kizuna Foundation

The Yazaki Group engages in activities to support the sustainable development of local communities.

With the aim of promoting mutual understanding and economic cooperation through international exchanges, the Yazaki Kizuna Foundation, which was founded in 2018 through our contributions, provides university scholarships and grants to small businesses in Samoa, where we manufactured wire harnesses until 2017.

The university scholarship program began in 2018, providing support to students of the National University of Samoa. Starting in 2024, the University of the South Pacific, Samoa campus, was added as a target

institution, bringing the total number of recipients to 169 university students. The small-scale business grant program provided funding for facility repairs to Women In Business Development Inc., which aims to promote economic development in rural areas of Samoa. It also provided grants for vehicle purchases to the Samoa Rugby Union, which focuses on developing young male and female players to compete internationally, and to the Samoa Conservation Society, which works on biodiversity conservation and environmental protection.



Vehicle handover ceremony to the Samoa Conservation Society (November 2023)



WEB Yazaki Kizuna Foundation

<https://www.yazaki-kizuna.jp/en/>

Topics

Making Children's Health a Given in the BOP Segment

From January to August 2023, Yazaki Energy System Corporation held an event in Jakarta, Indonesia, distributing hypochlorous acid water (sanitizing water) as part of an ongoing initiative to improve children's health in low-income Bottom of Pyramid (BOP) communities. Launched in 2018, the mission aims to make children's health a given in these underserved regions. The company used its own developed device to produce safe and effective sanitizing water that can be used safely on both people and objects. The primary goal was to reduce the incidence of diarrhea, a major health issue in the local community.

In collaboration with a local promotional company, Yazaki Energy System employed a variety of educational materials, such as digital picture stories and demonstrations, to convey hygiene practices that prevent diarrhea and promote overall health. A total of 481 local residents received 2,317 bottles of sanitizing water free of charge. The event was designed to be interactive, ensuring that participants could engage with the content while enjoying the experience. Furthermore, Yazaki Energy System continued follow-up visits to distribution sites each month after the event to reinforce the knowledge gained and encourage the ongoing use of sanitizing water.

As users may forget or misuse the product over time, the follow-up visits allowed them to increase awareness of hygiene practices and understanding of the product. Feedback gathered from participants through surveys revealed that they had gained a greater understanding of the importance of sanitizing and expressed a desire to continue using the sanitizing water. These insights will help inform and expand future initiatives, ensuring continued positive impact in the community.



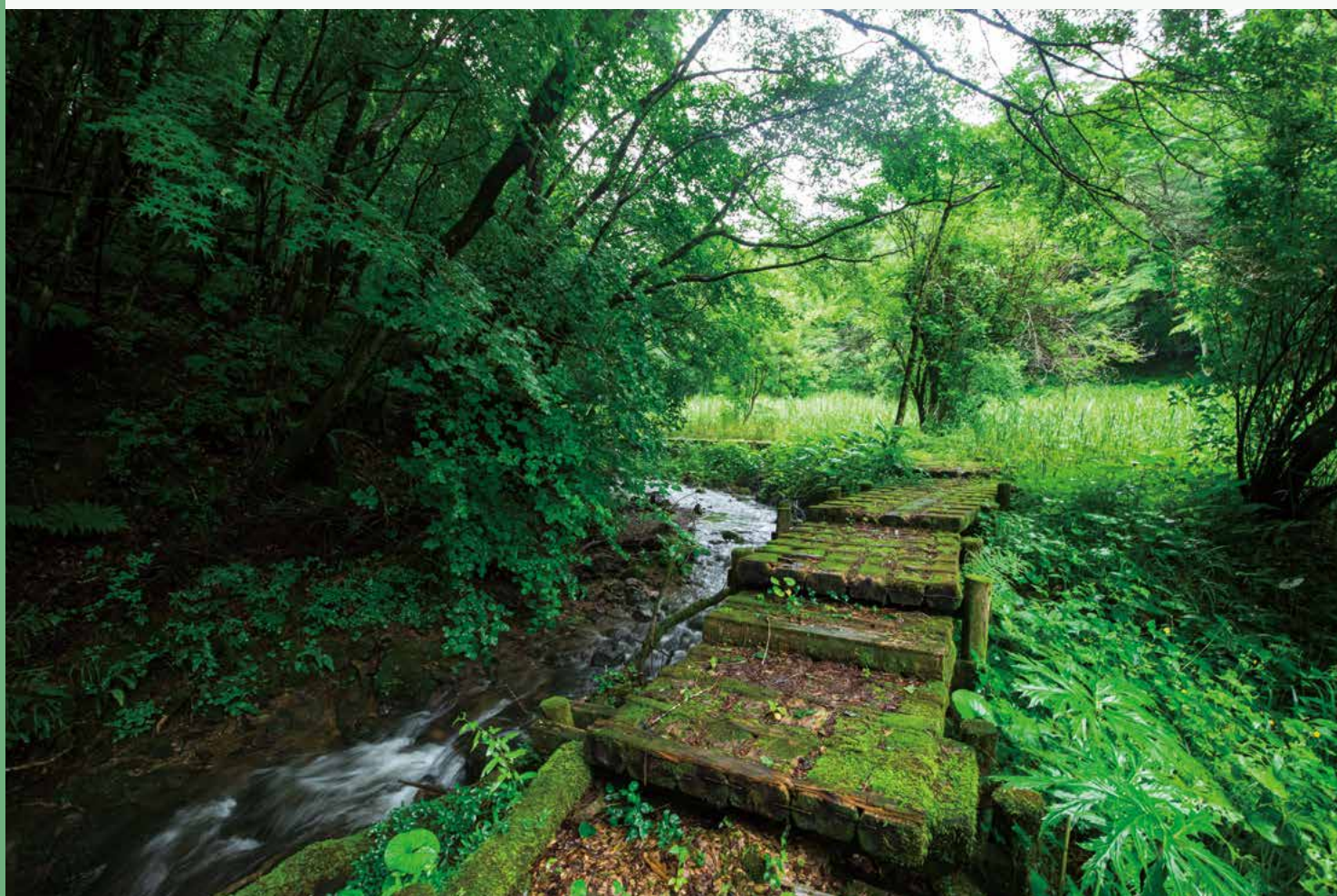
An event for distributing sanitizing water

◆ Priority Issue

Strengthen the global environmental management system

In keeping with the Yazaki Global Environment Charter, the Yazaki Group recognizes that initiatives aimed at preserving the global environment and solving environmental issues are serious challenges shared by all humankind. We will strive to create a society in which all living beings on earth – each an irreplaceable form of life – can thrive, through our corporate activities and the actions of each individual employee.

The Yazaki Group also aims to help resolve global problems and realize a sustainable society by reducing CO₂ emissions throughout the supply chain. This will be achieved by using resources effectively, strictly managing harmful chemicals, and developing and offering environmentally friendly products and services.



P60	Enhance environmental management
p63	Mitigate and adapt to climate change
p66	Prevent pollution
p66	Conserve biodiversity

p67	Closely manage harmful chemicals
p68	Formation of a recycling-based society
p70	Water resource response
p71	Environmentally friendly design

Enhance environmental management

The Yazaki Group carries out environmental conservation activities globally based on the Yazaki Global Environment Charter. We also build ISO 14001-based environmental management systems at sites in Japan and overseas, and have established YAZAKI Green Purchasing Guidelines and work to reduce environmental impact throughout the supply chain.

Yazaki Global Environment Charter (Established in 1997, partly revised in 2012)

Environmental Policy

The Yazaki Group recognizes that the preservation of the global environment and its resources is a serious concern shared by all humankind. In line with our Fundamental Management Policy, we will strive to make the world a better place and work to enrich our society through environmentally sound business activities and employee volunteerism.

Action Guidelines

① Enhance Environmental Management

Raise environmental awareness among all employees and empower them as individuals to take responsible actions for environmental preservation.

② Take Action to Prevent Global Warming

Reduce greenhouse gas emissions at the production process and through the contribution of energy-saving products.

③ Promote the Efficient Use of Resources Towards the Formation of a Recycling-based Society

Utilize resources by promoting waste recycling and reduce discharges.

④ Manage and Reduce Environmentally Hazardous Substances

Improve the management of environmentally hazardous substances in the products and the production process.

⑤ Develop Environmentally Friendly Products

Consider global warming, recycling, and environmentally hazardous substances when developing products.

Organization of the Action Guidelines



Environmental Division

Striving to Realize a Sustainable Society

As global warming progresses, countries around the world are accelerating climate change measures to meet the target of limiting the rise in temperature to 1.5°C. The Yazaki Group has declared its own 2030 CO₂ emission reduction target of 39% compared with fiscal year 2017 levels and has been taking action to meet it. However, international agreements in recent years have set more aggressive targets aimed at the year 2035, requiring more effective renewable energy measures and other actions. Additionally, initiatives to develop a circular economy are being considered for legislation as measures that contribute to decarbonization and address resource depletion issues. These and other developments highlight the need for practices aimed at resource recycling, including the design of products that do not generate additional waste, and the effective utilization of resources using recycled materials.

The Yazaki Group will aspire to even greater heights in its efforts to realize a sustainable society. Those efforts will include expanding the introduction of renewable energy through corporate PPAs (power purchase agreements), promoting resource recycling, pursuing R&D into the utilization of low-carbon materials such as biomass, and focusing on carbon recycling technologies to separate, capture and utilize CO₂.



Naoki Naka

Executive Officer
General Manager
Quality Management Division
Yazaki Corporation

● The Yazaki Environment Initiative Plans (FY 2023 Results/Evaluation and FY 2024 Targets)

Ongoing: Continuous Implementation of Improvements

Evaluation ✓: Target Achievement of 100% △: Target Achievement of 90% or More ×: Target Achievement of Less Than 90%

Items	Desired States / Aims	Target Fiscal Years	FY 2023 Results	Evaluations	FY 2024 Targets
Enhance Environmental Management					
Environmental Communication	• Continuous corporate improvement through two-way communication with stakeholders	Ongoing	• Held stakeholder meetings at 11 production sites	✓	• Hold stakeholder meetings at 11 production sites
Environmental Education	• All employees have awareness of the natural environment and engage in environmental efforts based on their own initiative	Ongoing	• Held specialized training for each region, site, and division (education on environmental laws, management of harmful chemicals, etc.)	✓	• Hold specialized training for each region, site, and division (education on decarbonization, environmental laws, management of harmful chemicals, etc.)
Environmental Compliance	• Compliance structure is reinforced by improving mechanisms and operations through regular audits	Ongoing	• Conducted planned audits in each region - Cross-audits on environmental laws: 83 sites	✓	• Conduct audits based on plans in each region
Strengthening Environmental Management in the Supply Chain	• Environmental issues are shared with suppliers and the PDCA cycle in continually implemented	2025	• Identified suppliers' environmental initiatives and supported improvements - Held carbon neutrality study sessions	✓	• Ascertain suppliers' environmental initiatives and support improvements to address challenges
Development of an Integrated Environmental Management System	• Internal control system is strengthened through the integration of environmental management systems	2027	• Completed multi-site certification for ISO14001: 2015 at Yazaki Corporation (2 sites) and Yazaki Meter (12 sites)	✓	• Integrate environmental management systems Promote multi-site certification for ISO14001: 2015 at Yazaki Corporation (2 sites), Yazaki Parts (5 sites) and their affiliated companies
Consideration and Contribution to Biodiversity	• Biodiversity conservation activities carried out continuously in accordance with the characteristics of each region and site	Ongoing	• Conducted planned activities in each region and site (forest maintenance, biological habitat conservation, etc.)	✓	• Conduct planned activities in each region and site
Take Action to Prevent Global Warming					
Reduce CO ₂ Emissions	• FY 2050: Carbon neutrality • FY 2030: 39% reduction in CO ₂ compared with FY 2017 globally	2030	• CO ₂ emissions: 21% reduction compared with FY 2017	✓	• CO ₂ emissions: 10% reduction compared with FY 2017
Promote Efficient Use of Resources for the Formation of a Recycling-based Society					
Reduce Amount of Waste	• Continuous waste reduction in each region	2030	• Achieved set targets in each region • Amount of waste at domestic sites: 9% reduction compared with FY 2018	✓	• Achieve targets in each region • Amount of waste at domestic sites: 4% reduction compared with FY 2018
Effective Use of Water Resources and Minimizing Impact	• Effective use of water resources (quantity and quality) and continuous improvement efforts in each region	2030	• Achieved set targets in each region • Water consumption at domestic sites: 13% reduction compared with FY 2018	✓	• Continuous implementation of planned improvement activities in each region • Water usage at domestic sites: 4% reduction compared with FY 2018
Manage and Reduce Environmentally Hazardous Substances					
Switch from Controlled Substances	• Compliance with laws and regulations and customer requirements regarding controlled substances	Ongoing	• Responding based on a transition plan	✓	• Continuous compliance with laws and regulations and customer requirements
Development of Environmentally Friendly Products					
Promote Environmentally Friendly Design	• Product development with consideration of global warming, resource circulation, and environmentally hazardous substances	Ongoing	• Certified environmentally friendly products: 11	✓	• Continuous efforts toward environmentally friendly designs

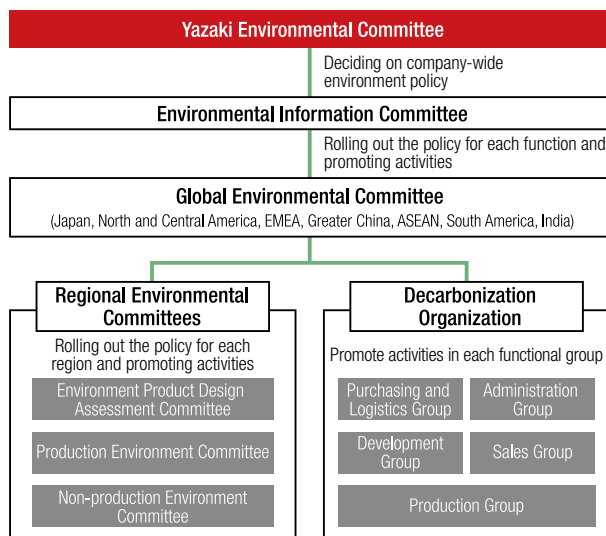
Organizational Structure for Environmental Management

At the Yazaki Group, we established and operate a global environmental management system to ensure that we meet the expectations for environmental conservation from stakeholders worldwide. The Yazaki Environmental Committee, the decision-making body for environmental management, meets every year in May to discuss the direction of the environmental initiatives in Japan and overseas. We also hold a special decision-making meeting whenever issues require an urgent response.

People who are responsible for environmental issues and people in charge of practical environmental operations in each region around the world coordinate the direction of future initiatives through the Global Environmental Committee. Specifically, we share priority themes that need to be addressed at a global level, such as the reduction of CO₂ emissions and management of chemical substances in products, in addition to discussing the responses to issues in order to promote environmental conservation activities throughout the supply chain while encouraging interregional collaboration.

The Yazaki Group has established local environmental management systems in each region. In Japan, to promote our efforts in each field, we have established the Environment Product Design Assessment Committee, the Production Environment Committee, and the Non-production Environment Committee to promote company-wide initiatives.

As part of action on decarbonization, we promote activities through the Decarbonization Organization made up of those responsible for environmental issues and those responsible for functional departments such as development, production and procurement in each region.



Environmental Education

To develop people who can think and carry out environmental efforts on their own, we provide company-wide training and specialized environmental training based on the training system of the Yazaki Group.

Company-wide training is geared to all new employees, persons promoted to specific grades, and those assigned to overseas sites. The training is provided to deepen employee understanding of the significance of environmental conservation and the environmental conservation initiatives of the Yazaki Group. We also provide specialized environmental training for employees who supervise and engage in environmental work with the aim of ensuring the skills needed for specialized work related to the environment. This training includes education on environmental laws and regulations and education for ISO 14001 internal auditors. We additionally implement tests and other methods to confirm the degree of understanding after training and take the initiative to promote a firm understanding of the training by participants.

Additionally, by increasingly developing online formats for environmental education, we have put in place a system to ensure that those who need it can undergo the education when required. In fiscal year 2023, we distributed educational materials on topics such as the Air Pollution Control Act and laws controlling noise and vibration as online videos. We will continue to expand the relevant educational materials and do our utmost to improve convenience for learners.

Thorough Compliance with Environmental Laws and Regulations

The Yazaki Group established a system of environmental compliance that includes compliance with all environmental laws, regulations, and ordinances. We strengthen that compliance system by checking the structures and the operational status through periodic audits while improving the structure, which ties into our compliance with environmental laws and regulations.

We are introducing cross-audits as part of the environmental audits of factories in Japan and overseas. During the audits, the people responsible for practical operations check each other's sites, find points in need of improvement and discuss how to make those improvements with each other. That helps to strengthen the check function and capacity for improvement. We review our audit checklist annually and educate our auditors.

In fiscal year 2023, audits were conducted at 83 sites in 18 countries, with no major violations detected. Additionally, many suggestions and good practices were identified, and we are expanding these throughout our sites to achieve further improvements.



Audit in Progress at a Factory in Thailand

Mitigate and adapt to climate change

To prevent the global warming that allegedly causes climate change, the Yazaki Group is working to reduce CO₂ emissions at all sites through energy-saving measures and the introduction of renewable energy, and we are contributing to reductions in CO₂ at a global level by developing and providing environmentally friendly products and services.

◆ Initiatives to Realize a Decarbonized Society

Setting CO₂ Emissions Reduction Targets

The Yazaki Group regards initiatives for the realization of a decarbonized society as a social responsibility and an opportunity to improve corporate value. We have established a global response organization with the cooperation of all production, sales, development, management, and purchasing divisions to tackle this issue as a Group, and we are proactively engaging in activities toward the realization of a decarbonized society.

Following the holding of the Leaders' Summit on Climate and the UN Climate Change Conference (COP26) in 2021, countries throughout the world have strengthened greenhouse gas reduction targets to achieve carbon neutrality. At the Yazaki Group, we also aim to realize carbon neutrality by 2050 and have set voluntary targets for 2030 based on the CO₂ emissions reduction targets of the countries and regions we operate in.

We have set the voluntary target of reducing the Group's direct emissions (Scope 1 and 2)*¹ by 39%*² by fiscal year 2030 compared with fiscal year 2017. In fiscal year 2023, our global CO₂ emissions were 517,000 tons, a 21% reduction compared with fiscal year 2017. We have also set the voluntary target of reducing Scope 3*¹ emissions by 15% by fiscal year 2030 compared with fiscal year 2017. The Yazaki Group is committed to reducing CO₂ emissions across Scope 1, 2, and 3, contributing to CO₂ reduction throughout the entire supply chain.

We will continue to make efforts toward meeting our targets for fiscal year 2030 and achieving carbon neutrality by fiscal year 2050.

*1 Scope 1: Direct greenhouse gas emissions by businesses themselves (fuel combustion, industrial processes)

Scope 2: Indirect emissions from the use of electricity, heat, and steam supplied by other companies.

Scope 3: Indirect emissions other than Scope 1 and Scope 2 (emissions by other companies related to the activities of the business)

*2 The reduction rate is rounded up to the nearest whole number.

CO₂ Emissions Reduction Targets of the Yazaki Group

FY 2050: Carbon neutrality

FY 2030: **39% reduction** in **Scope 1 and 2** emissions compared with fiscal year 2017

15% reduction in **Scope 3** emissions compared with fiscal year 2017

Initiatives to Reduce CO₂ Emissions

As an energy saving measure, we have produced a Key Point List for Reduction Measures that incorporates over 300 key points from CO₂ emissions reduction plans, including examples of internal initiatives, such as reducing energy loss and introducing highly efficient equipment. Based on this list, we have developed approximately 1,400 reduction measures (corresponding to roughly 22,000 t-CO₂) across our sites globally.

In fiscal year 2023, we rolled out CO₂ reduction measures across multiple sites, improved production efficiency by optimizing manufacturing conditions, expanded the number of sites for air leak testing, conducted ongoing improvement activities, and upgraded to high-efficiency equipment at our production facilities. Combined, these efforts enabled reductions of approximately 8,700 t-CO₂.

We have also pushed for the introduction of renewable energy using methods optimized for each region and country. In fiscal year 2023, we newly brought 31 GWh of renewable energy, resulting in an 11,000 ton reduction in CO₂ emissions.

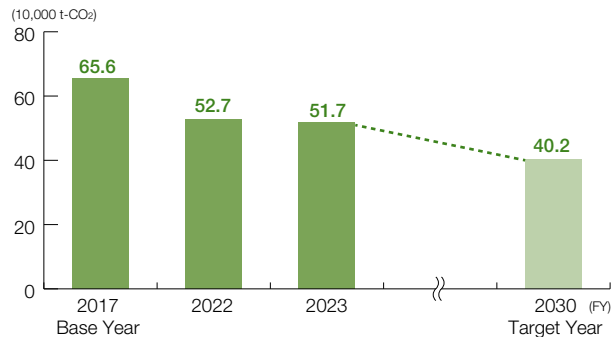
To further promote CO₂ emissions reduction activities, with a focus on realizing carbon neutrality by 2050, we will explore carbon-sink measures such as forest conservation and tree planting.

In addition, to reduce CO₂ in our products, we are striving to introduce new technologies and expand the use of low-CO₂ materials through efforts such as reducing the size and weight of our products and designing environmentally friendly products that utilize renewable and biomass materials.

Going forward, to reduce CO₂ emissions throughout the entire supply chain, we will continue to expand the scope of our efforts through promoting activities such as the visualization of lifecycle CO₂ emissions,

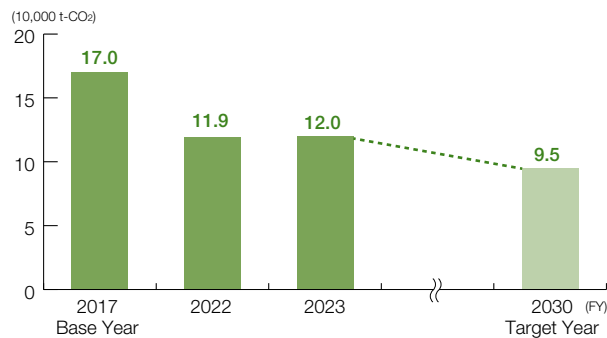
examination of optimal logistics through cooperation with suppliers, development of environmentally friendly products, and consideration of business that contributes to decarbonization.

● Change in CO₂ Emissions (Scope 1 and 2, Global)



Note: The target figures for fiscal year 2030 have been revised to reflect revisions made to actual figures for some sites in fiscal year 2017.

● Change in CO₂ Emissions (Scope 1 and 2, Japan)



Voice

Adonis Batista

Operational Management
Quality Director -
YAZAKI do Brasil Ltda.



Yazaki Mercosur has been concentrating on activities to reduce CO₂ emissions. To live up to the Yazaki Group's carbon neutrality policies and meet the expectations of customers, we aim to hit our 2030 targets, and also achieve carbon neutrality by 2050.

In addition to energy saving activities, we are exploring a range of other possibilities including the electrification of forklifts and other equipment, and the reduction of food waste sent to landfills through the introduction of composting.

Furthermore, capitalizing on the fact that we operate in a region where approximately 80% of electricity is supplied from renewable energy sources, in 2023 we began acquiring non-fossil fuel certificates. As a result, at some of our factories we have demonstrated that 100% of the electricity we use comes from renewable energy.

We recognize that CO₂ reduction activities are directly aligned with their environmental impact in every aspect, meeting the expectations of customers, and of society striving for a better world. Going forward, Yazaki Mercosur will continue to utilize every means at its disposal in CO₂ reduction activities, aiming to maintain sustainable business operations as a company.

Topics

Utilizing Renewable Energy in India

To reduce CO₂ emissions in India, where production is on the rise, solar power generating equipment was installed at two factories of Yazaki India Private Limited, which operates in the country. The installations produced an annual generating capacity of approximately 2.4 GWh and are projected to have an estimated 1,700-ton annual reduction effect on CO₂ emissions.

To achieve further CO₂ reductions in the future, Yazaki India aims to cover all the electricity needed for production activities with renewable energy, in part through the use of off-site PPAs that involve installing renewable energy facilities outside company premises.



Solar Power System Installed at the Factory

Utilizing Exhaust Gas Heat from an Aluminum Melting Furnace

At the Tenryu Factory (Hamamatsu, Shizuoka Prefecture), we have launched an activity to recover and utilize the exhaust gas heat from an aluminum melting furnace.

Before this, exhaust gases generated during the aluminum melting process were vented outdoors at a temperature of about 350°C, but with the installation of a heat exchanger, this heat can now be recovered. By using the recovered heat as the driving energy for an absorption-type chiller-heater, a portion of the factory's air conditioning energy can be supplemented. This is expected to reduce annual CO₂ emissions by approximately 17 tons.

While this is currently a small-scale installation, we will explore optimum conditions and consider expanding the initiative to other sites.



Heat Exchanger That Recovers Waste Heat

Contribution to CO₂ Reduction Through Yazaki Products

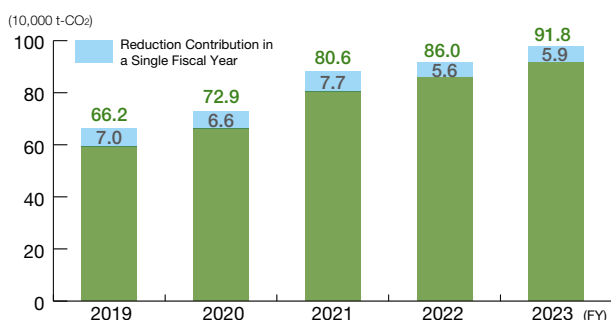
Solar equipment and air-conditioning appliances using wood pellets contribute to reducing CO₂ emissions. The *Bio-Aroace* wood pellet-fired absorption chiller-heater delivers an annual reduction of approximately 30 tons of CO₂ emissions per unit compared with the use of fossil fuels when the volume of CO₂ absorption during the growth of the wood that is used as the raw material for the pellets is considered.

Also, general transportation equipment such as digital tachographs, not only contributes to the management of driving efficiency and safety but also leads to improvements in fuel economy, thus contributing to reducing CO₂ emissions. These products contributed to reducing CO₂ emissions by 59,000 tons in fiscal year 2023 and have reduced CO₂ emissions by a cumulative total of 918,000 tons since fiscal year 2011.

Going forward, we will collaborate with logistics partners to use our technology such as tachographs and load ratio visualization solutions to reduce logistics CO₂ emissions, and we will work to have the amounts reduced certified under the J-Credit Scheme.*

* Scheme under which the government of Japan certifies the amount of greenhouse gas emissions reduced or absorbed as credit

● Change in CO₂ Emissions Reduction Contribution by In-house Products (Cumulative Amount since FY 2011)



Note: Since numbers are rounded off, individual numbers and totals may not match.

● Breakdown of CO₂ Emissions Reduction Contribution by Products in FY 2023

	(10,000 t-CO ₂)
Digital Tachograph	5.521
Driving Recorder with Digital Tachograph Function	0.174
Taxi Meter with Digital Tachograph Function	0.191
Solar Equipment	0.016
Wood Pellet-Powered Machines	0.015

Promoting Green Logistics

Our logistics division is promoting initiatives to reduce CO₂. In accordance with the Act on Rationalization of Energy Use, Yazaki Group companies in Japan, including our specified consignors, Yazaki Parts Co., Ltd. and Yazaki Energy System Corporation, and similarly Group companies that are not specified consignors, are working to reduce the energy consumption intensity of transportation, with the goal of a 1% decrease from the previous fiscal year.

In fiscal year 2023, the Automotive Business Division began utilizing rail transportation for customers in Kyushu, coordinating with the Ohama Factory and Daito Factory of Yazaki Parts Co., Ltd. as shippers, the Purchasing Division of Yazaki Corporation, and logistics subsidiaries Arrow Distribution Service Co., Ltd. and Sho Unyu, Inc. As rail transportation produces fewer CO₂ emissions compared with truck-based transportation and is an effective means for dealing with the so-called 2024 logistics problem, 7% of transportation to this area was diverted to rail transportation. As a result, CO₂ reduction effects of 81.2% compared with truck-based transportation were obtained. While we have pursued these initiatives to reduce CO₂ emissions, in part due to a sharp rise in product demand and a great deal of special transportation associated with the shipment of substitute products, in fiscal year 2023, CO₂ emissions from domestic logistics* increased to 22,200 tons, 12.3% higher than the previous fiscal year, and CO₂ emissions per transportation amount (ton-kilometer) were 124.3 g-CO₂/ton-kilometer, a 9.4% increase from the previous fiscal year.

In the future, we will review the initiatives conducted this fiscal year, take measures based on the results, further strengthen collaboration with stakeholders, and promote green logistics.

* Corporations covered: Yazaki Corporation; Yazaki Meter Co., Ltd.; Yazaki Parts Co., Ltd.; and Yazaki Energy System Corporation



Cargo Being Transported by Rail

Prevent pollution

The prevention of environmental pollution is the very minimum responsibility in our manufacturing activities. We recognize it as a significant risk factor and set the voluntary regulation value stricter than those provided by laws and regulations, and we maintain thorough control.

Prevention of Localized Pollution

Water and air quality problems, noise, and vibrations can be uncomfortable for local communities even as we comply with the regulations set by laws and local ordinances. We have therefore set and periodically monitor with voluntary levels that are stricter than those stipulated in laws and regulations for the discharged water, exhaust gas, and noise and vibrations of factories, and we confirm the status of compliance.

As our own initiative, we have produced a risk map specifying locations that present a risk to the environment, such as those for chemical storage facilities and equipment with high noise levels, and we are carrying out measures including installing dikes to lower risk, minimizing equipment noise, and upgrading to air conditioning equipment that does not use oil to reduce smoke emissions. For instance, to prevent the discharge of wastewater containing hazardous substances, we have moved underground waste liquid storage tanks aboveground, enabling the early detection of hazardous substance leaks. We also conduct wastewater analyses

regularly and conduct monitoring as part of thorough efforts to prevent discharges. We are working to reduce this noise by installing sound absorption and insulation materials. To prepare for environmental emergencies such as hazardous substance leaks, we conduct emergency drills at least once per year to verify the effectiveness of our response procedures. In fiscal year 2023, there were no incidents of pollutant leaks or other serious incidents.

Before Improvements



Underground waste liquid storage tanks (visual inspection for leaks difficult)

After Improvements



Aboveground waste liquid storage tanks (visual inspection for leaks made possible)

Conserve biodiversity

The conservation of biodiversity is an issue requiring attention on a global scale. The Yazaki Group works in cooperation with communities to preserve biodiversity and will continue contributing to the resolution of global challenges.

Biodiversity Conservation Efforts in Collaboration with the Community

The Yazaki Group conducts biodiversity awareness activities and pays attention to ecosystems through such examples as planting tree species indigenous to the regions of the establishment of new sites and creating biotopes within the premises of our facilities. We work together with nearby communities in forest maintenance and the eradication of exotic plant species at sites around the world.

As an example of our efforts, at the Thai Yazaki Group, mangrove tree planting activities are conducted each year as a part of environmental conservation activities. In fiscal year 2023, 163 employees took part, planting 500 saplings.

Recognizing the importance of taking action to conserve biodiversity, we have also endorsed the Keidanren Initiative for Biodiversity Conservation of the Keidanren Committee on Nature Conservation.



Mangrove Tree Saplings Being Planted

Topics

Participation in the Tottori Sand Dunes Conservation and Restoration Adoption Program

Tottori Parts Co., Ltd. (Tohaku District, Tottori Prefecture) joined the Tottori Sand Dunes Conservation and Restoration Adoption Program in March 2024. The program designates “guardians” over specific areas with the aim of having participants regularly and continually clean and otherwise care for their assigned areas with affection and a sense of responsibility, while determining the timing of implementation independently. In fiscal year 2023, May was designated as the month of activities to deal with an invasive species before it bloomed. Combined with annual volunteer weeding activities carried out each August at the Tottori Sand Dunes, the two activities attracted over half of all employees along with family members, totaling 84 participants. Those taking part used rakes and other tools to perform the weeding.



Closely manage harmful chemicals

The Yazaki Group operates systems worldwide to ensure compliance with the laws and regulations related to the chemical substances in each country and to meet customer requests for the thorough management of chemicals. We demand that suppliers ensure that prohibited chemicals are not used in our products.

Managing Chemicals in Products

We collect information on the revision and enforcement of laws and regulations in the countries we operate in. For materials and parts that involve the use of chemicals that may be regulated in the future, we formulate medium-term plans for their substitution and take appropriate actions.

In fiscal year 2023, we selected alternatives and formulated switchover plans for raw materials and parts using chloride- and bromine-based flame retardants, which are currently being considered for regulation under the EU REACH Regulation^{*1} and POPs Convention.^{*2} The changes will be carried out based on the plans going forward.

^{*1} A regulation of the European Union on the registration, evaluation, authorisation and restriction of chemicals

^{*2} The Stockholm Convention on Persistent Organic Pollutants

Reducing and Managing Chemical Emissions

The Yazaki Group in Japan makes design changes and production process improvements to reduce emissions of volatile organic compounds (VOCs) that generate suspended particulate matter^{*1} and photochemical oxidants^{*2} that cause air pollution. Major initiatives include reducing VOC use by switching to VOC-free cleaning solutions for jigs and equipment and minimizing coated areas, as well as reusing previously used solvents. In fiscal year 2023, VOC emissions for applicable sites^{*3} in Japan increased by 1.7% compared with the previous fiscal year.

Additionally, we are identifying emissions of designated chemical substances and their transfer amounts at sites that are required to submit a report^{*4} in Japan and are subject to PRTR Law^{*5} regulations. The emissions of designated chemical substances in fiscal year

2023 totaled 13.2 tons, and the transfer amount was 4.7 tons.

^{*1} Of the particulate matter suspended in the atmosphere, those with a particle diameter of 10µm or smaller, including those found in the exhaust from diesel vehicles and the soot emitted from factories

^{*2} The general term for matter created when nitrogen oxides and hydrocarbons in the smoke emitted from automobiles, factories, and other sources come into contact with the sun's UV rays and a photochemical reaction occurs

^{*3} Susono Factory, Ohama Factory, Shimada Factory, Kan Kogyo, and Cable Technica

^{*4} Susono Factory, Ohama Factory, Shimada Factory, Numazu Factory, Fuji Factory, Tenryu Factory, Oita Parts, Kan Kogyo, and Kansai Gas Meter

^{*5} Act on the Assessment of Releases of Specified Chemical Substances in the Environment and the Promotion of Management Improvement

Appropriate Disposal of PCB Waste

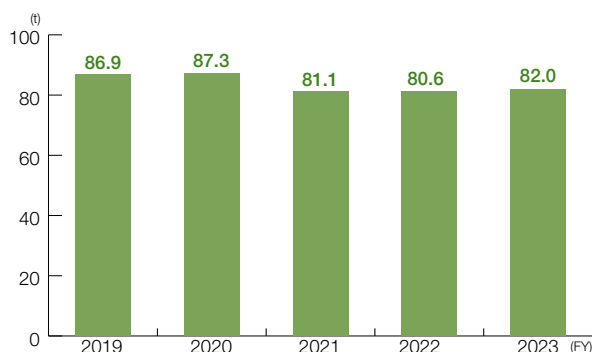
The Yazaki Group in Japan has been taking steps to comply with the disposal of polychlorinated biphenyl (PCB)^{*1} waste within the domestic Yazaki Group before the legal deadline set forth in the Act on Special Measures Concerning Promotion of Proper Treatment of PCB Wastes. At sites storing PCB waste, we appoint persons responsible for preventing loss, damage, or leakage by locking storage sites, conducting regular inspections, and implementing earthquake countermeasures.

In fiscal year 2023 we disposed of 8 PCB waste containers. We also periodically checked the 320 PCB waste containers^{*2} that we currently have in storage, and no leaks or other such defects were detected. We will develop a disposal plan for this waste and ensure it is disposed of by the legal deadline.



Transportation of PCB waste off-site

Change in VOC Emissions (Sites in Japan^{*3})



^{*1} Previously used as insulating oil for electric equipment, including transformers and capacitors. However, its manufacture and import have been prohibited since 1975 because the material was found to be harmful to human health and the environment.

^{*2} Includes electrical equipment currently being verified

Management of Ozone-depleting Substances

At domestic sites that handle fluorocarbons, which are ozone-depleting substances, we conduct management in accordance with the Fluorocarbon Emissions Control Act, and endeavor to prevent leaks through regular inspections. At many sites, our in-house fluorocarbon-free air conditioning equipment Aroace is used.

Formation of a recycling-based society

As the global population grows and economies develop, the risk of resource depletion increases. The effective use of resources is a major issue. As part of the Yazaki Group's activities to realize a circular economy, we are working to build a resource recycling society based on the 5R* concept by reducing the weight and size of products to save resources, promoting the development of products that utilize waste material and recycled material, reducing loss in manufacturing processes, and reducing the use of plastics for packaging materials.

* Reduce/Reuse/Recycle/Refuse/Repair

Activities to Reduce the Amount of Waste Generated

The Yazaki Group works to reduce the total amount of discharge*¹ through activities that include reducing loss in the manufacturing process, promoting recycling, and further subdividing waste separation based on the 5R concept. We have established goals to improve our recycling rate and reduce the amount of waste*² in line with the conditions of each country and region and are moving forward with these efforts.

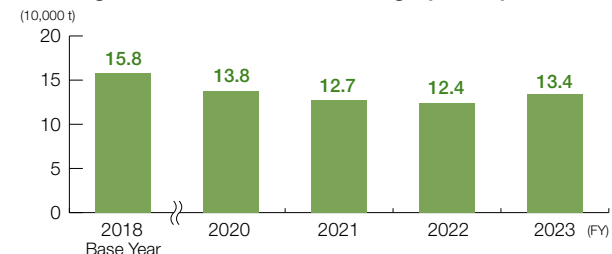
In fiscal year 2023, the total amount of discharge by the global Yazaki Group was 134,000 tons, a reduction of 15% compared with fiscal year 2018. We aim to reduce waste at all sites in Japan by 10% by fiscal year 2030 compared with fiscal year 2018 and are making efforts toward this target. In fiscal year 2023, the total amount of waste was 4,575 tons, a reduction of 9% compared with fiscal year 2018 owing to measures such as reducing the amount of in-process defects, reusing jig boards used in wire harness manufacturing, promoting recycling through more thorough sorting when disposing metal composite products, and reducing the amount of stretch film used to prevent cargo from collapsing.

To respond to the global issue of plastic waste, we are working to reduce single-use (disposable) plastics used for packing products. To reduce single-use plastics at our factories in Japan, such as those for protecting products during the work processes or packaging for shipping, each site selects their own themes from

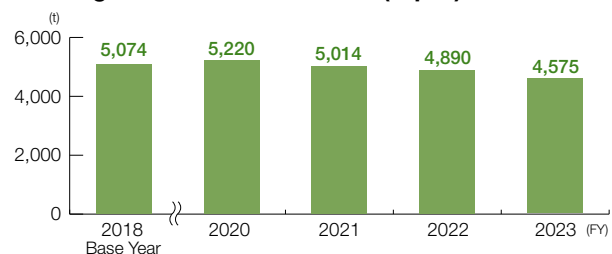
the perspectives of stopping, reducing, recovering (reusing) and replacing, and is making efforts to reduce usage.

In fiscal year 2023, this initiative was expanded to 80 factories, including overseas sites, leading to an annual reduction of approximately 61 tons of single-use plastic.

Change in the Amount of Discharge (Global)



Change in the Amount of Waste (Japan)



Note: Figures from fiscal year 2020 to 2022 have been recalculated following revisions to the actual data from some sites.

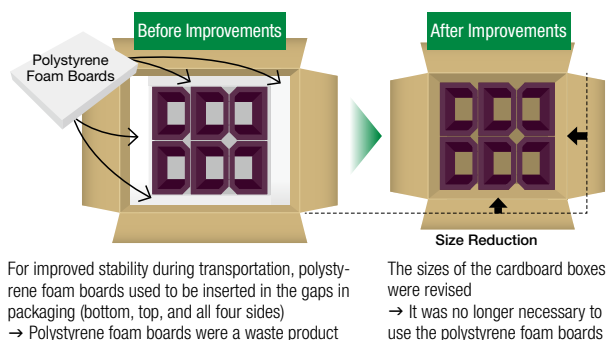
*¹ Unnecessary things generated at factories. They are classified into waste and valuables.

*² Among discharge, those other than valuables including general waste such as bulky trash and waste oil and industrial waste

Examples of Reducing Disposable Plastics

Discontinuation

The use of polystyrene foam boards for stability was eliminated by adjusting the size of the cardboard used for transportation (effects: annual reduction of approximately 600 kg).



Use Alternates

Switching from PP bands to reusable rubber bands for securing transportation cases (effect: annual reduction of approx. 3,600 kg)



Reusing Products and Utilizing Recycled Materials

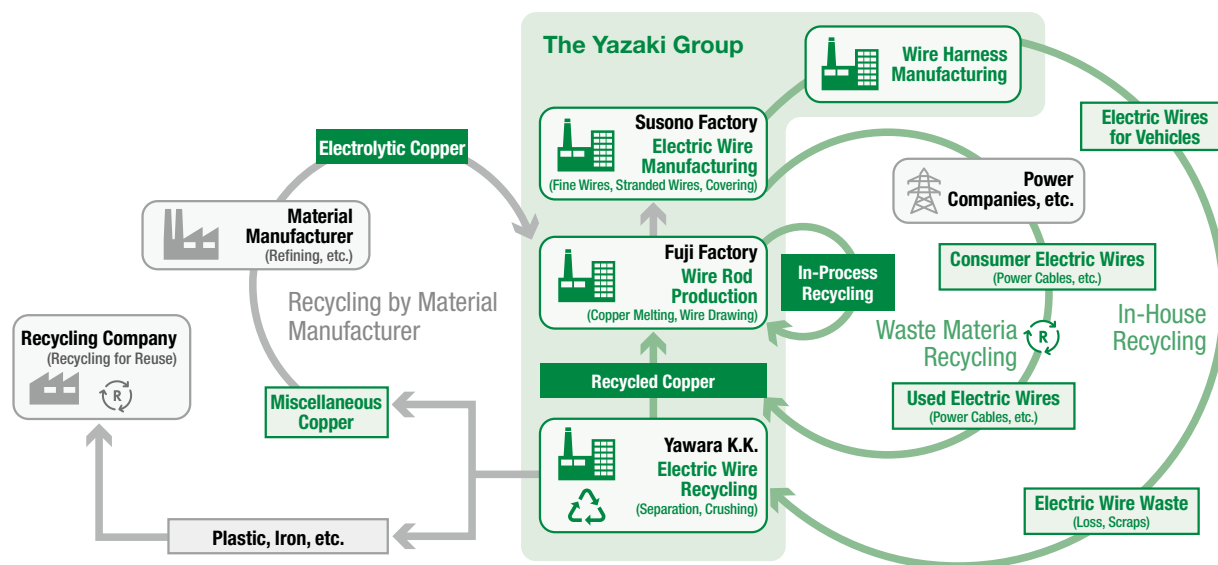
At the Yazaki Group, we manufacture electric wires for our wire harnesses through processes covering the melting of raw materials, production of wire rods,* and wire thinning and covering.

Yawara K.K. (Numazu City, Shizuoka Prefecture) operates an electric wire recycling business, in which it collects and sorts waste material from the Yazaki Group's wire harness factories to manufacture recycled copper.

Yazaki Energy System Corporation's Fuji Factory (Gotemba City, Shizuoka Prefecture), which manufactures wire rods, uses the recycled copper produced by Yawara K.K. and some of the waste materials generated in manufacturing processes to manufacture copper wires. In fiscal year 2023, we used approximately 14,800 tons of recycled materials, achieving a recycled copper utilization rate of approximately 15.3%. We will continue to increase the amount of recycled copper we use.

* An intermediate material for the manufacture of copper wires and winding wires. It is stretched into a wire shape with a diameter of approx. 8 mm.

● Manufacturing of Electric Wires Using Waste Material from Production and Used Electric Wires



Reducing the Environmental Impact of End-of-life Products

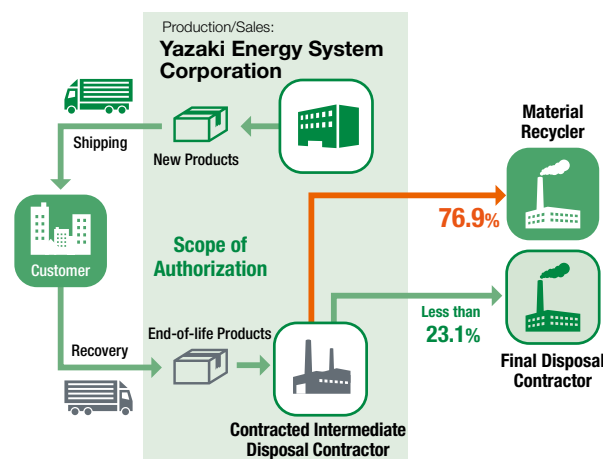
The Yazaki Group recovers, reuses, and recycles used electric wires, wooden drums, gas meters, absorption solutions from absorption chiller-heaters, and more for the effective use of its resources. We share information within the Group on examples of good practices at each site to reduce waste and will push to disseminate these reduction efforts throughout the Yazaki Group.

Under the Wide-area Certification System,^{*1} the Hamamatsu Factory of Yazaki Energy System Corporation (Hamamatsu City, Shizuoka Prefecture) recovers Aroace absorption chiller-heaters when they can no longer be used, and reuses and recycles their components. By separating and reusing the steel plates that make up the product body, the copper tubes that make up the heat exchangers, and the absorption solution, we recycled 76.9%^{*2} of these products by weight in fiscal year 2023.

We have also reviewed our asbestos disposal process in response to increasingly stringent regulations, and we are making improvements to ensure safer and more Manufacture of Electric Wires Using Waste

Material from Production and Used Electric Wires secure recycling disposal for some of our older products that use asbestos.

● Recovery of Air Conditioning Equipment under the Wide-area Certification System



*1 A system designated to enable manufacturers authorized by the Minister of the Environment to collect their own products that have been discarded over a wide area (two or more prefectures) so that they can be appropriately processed and recycled

*2 In fiscal year 2023 the methods for aggregating the data and units used were revised

Water resource response

By 2050, roughly half of the world's population will experience the effects of water stress* from the impact of issues such as population growth and climate change. The Yazaki Group strives to minimize water use by recycling and conserving water and practices stronger management of factory water discharges. Thus, we are protecting water resources.

* Inconvenience in everyday life as the amount of water usable per person becomes less than 1,700 m³ a year

Initiatives to Address Water Risks

We are continuing our efforts to reduce water consumption at production sites in Japan while we implement efforts that enable our management systems to prevent water pollution from discharged water.

Globally, water risks are recognized at each site, and we work on the issue from the two perspectives of water amounts and quality. Every year, we conduct risk evaluations using Aqueduct* and also verify risks at local sites. In fiscal year 2023, we identified high water risks at 27 sites in 6 countries. We will continue to implement risk reduction measures at these sites.

* A water risk assessment tool developed by the World Resources Institute (WRI)

Initiatives to Conserve Water Resources

The manufacture of electric wires, one of the Yazaki Group's representative products, and the manufacture of resin components for our wire harnesses use a lot of water for cooling and other processes. The Yazaki Group sets voluntary goals for water usage reduction and improvement in the quality of discharged water and conducts initiatives tailored to each country and region.

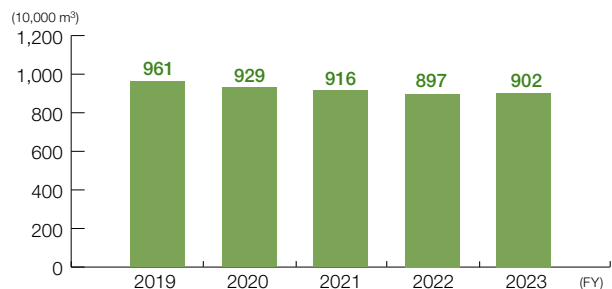
We effectively utilize water resources to reduce our water consumption, implementing measures at each site such as regularly inspecting cooling water systems to prevent leaks, effectively utilizing rainwater, and employing a multi-stage rinsing method in manufacturing processes such as the surface treatment of components.

As a result of these efforts, in fiscal year 2023, water consumption was 9.02 million m³ globally, 14% less than in fiscal year 2018.

In addition, we are promoting activities at our sites in Japan to achieve a 17% reduction in water consumption by fiscal year 2030 compared with fiscal year 2018. In fiscal year 2023, water consumption was 5.04 million m³, a 13% reduction compared with fiscal year 2018.

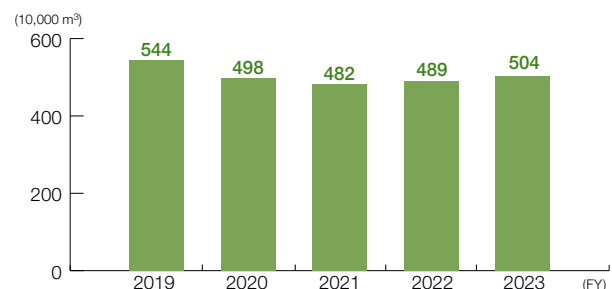
Additionally, in managing the water quality of the wastewater discharged from our sites, we have set voluntary control values that are more stringent than regulatory standards, and periodically verify our state of compliance. In addition, we have installed automatic shut-off devices at final drainage outlets, as a prevention measure in the unlikely event that wastewater exceeding control values is about to be released off-premises. Going forward, we will continue to respond to water risks while endeavoring to reduce water usage and make effective use of water, as part of efforts to conserve finite water resources.

Change in Water Usage (Global)



Note: Figures for fiscal year 2022 were recalculated to reflect revised actual values in fiscal year 2022 for some sites.

Change in the Amount of Water Usage (Japan)



Note: Figures for fiscal year 2022 were recalculated to reflect revised actual values in fiscal year 2022 for some sites.

Topics

Efforts to Reduce Water Usage through Water Recycling and Rainwater Utilization

At Yazaki Kenitra S.A. and three other factories in Morocco, the water used for hand-washing is purified through treatment tanks and filtration systems, and rainwater collected from rooftops is used for toilet flushing water and watering plants. As a result, in fiscal year 2023 water usage was reduced by approximately 3,600 m³ annually.



Treatment Tank and Filtration System

Environmentally friendly design

The Yazaki Group established original certification standards for environmentally friendly design. All development divisions strive to reduce the environmental impact of products from the design stage and to enhance the added value of products. We additionally evaluate the environmental impact of our products across their life cycles (the stages of production and use*1) using LCA*2 techniques. Those products that meet internal certification standards are certified as environmentally friendly products.

*1 Applies to automotive components

*2 Life Cycle Assessment: Assessment of a product's environmental impact

Development of Recycling PBT Resin Grade for Connectors

To reduce CO₂ emissions and realize a sustainable society on the way to achieving carbon neutrality, we have been pursuing the development of recycled resin on a joint basis with material manufacturers.

Connectors for automotive wire harnesses are components that connect circuits between electronic devices. We jointly developed a “recycled PBT resin grade” that uses the scrap material manufacturers generate in the manufacturing process for these connector materials, and used them in connectors. Generally, stabilizing the quality of recycled materials had been an issue, but by chemically breaking down process scraps and recycling them into materials, we achieved stable quality equivalent to the original materials.

As a result, CO₂ emissions were reduced by approximately 18% compared with the manufacturing of the original materials.



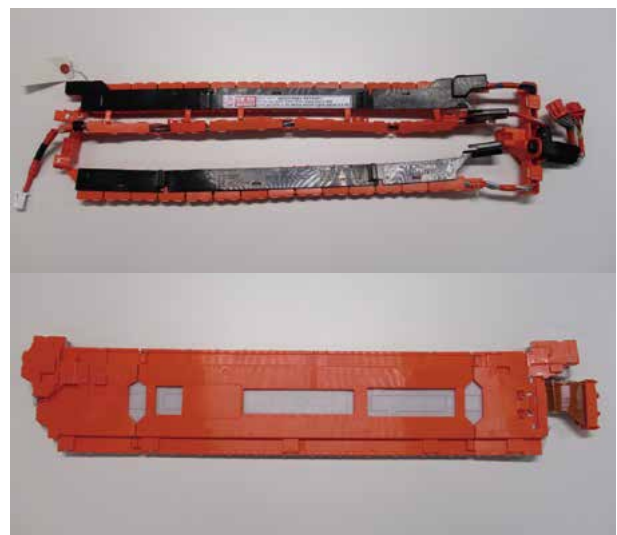
Manufacturing process for automotive wire harness connectors using chemical recycling PBT

Development of Flexible Printed Circuit Board Type Cell Connection Systems

Battery cell connection systems (CCSs) are attached to battery cells used in hybrid vehicles. They are used to connect multiple batteries in series, monitor battery voltage and temperature, and transmit such information to the control unit, helping to improve vehicle fuel efficiency.

To further contribute to improved fuel efficiency, the voltage and temperature detecting circuits were switched from regular electrical wiring to a flexible printed circuit board (FPC). This made it possible to reduce the number of components and size, resulting in a weight reduction of about 50%. Additionally, this removed the need for manual work in the CCS production process, achieving fully automated production.

The CCSs were named 2024 PACE Award winners by the US-based organizer Automotive News. Winners are selected in recognition of innovative technologies in the automotive industry.



Previous Product: Electrical Wire Type CCS (Top)
Newly Developed Product: FPC-Type CCS (Bottom)

◆ Priority Issue

Enhance global governance and internal control

The establishment of a sound foundation for management is vital for the sustainable growth of a company. With an eye on becoming “A Corporation in Step with the World” and “A Corporation Needed by Society” as outlined in the Yazaki Group Corporate Policy, the Yazaki Group continuously works to establish a global governance system that is sound, efficient, and transparent and strengthens its internal controls in order to increase its corporate value by building positive relationships through an emphasis on dialogue with stakeholders.



- P73 | Ensure management soundness, efficiency, and transparency
- P75 | Strengthen risk management and BCM
- P76 | Promote information security

- P77 | Practice thorough compliance
- P78 | Prevent all forms of corruption
- P79 | Respect human rights

Ensure management soundness, efficiency, and transparency

The Yazaki Group is building sound relationships with its stakeholders and fulfilling its social responsibilities as a company in order to realize the Yazaki Group Corporate Policy, as it endeavors to strengthen its corporate governance with the aims of achieving sustainable growth and increasing corporate value.

◆ Corporate Governance System

We are a company with a board of auditors and have established management meetings in addition to the Board of Directors and Board of Auditors. While we are a privately-owned company, we have a significant social responsibility as an enterprise with sites in 46 countries and regions throughout the world. Accordingly, we have established a board of auditors comprised of full-time auditors and outside corporate auditors, and we work to enhance the effectiveness of audits and ensure we maintain the trust of stakeholders.

Board of Directors

In principle, we hold meetings of the Board of Directors once a month (as well as meetings on an ad hoc basis) to make decisions on statutory matters and material matters concerning management and to oversee the execution of duties by directors. To ensure rapid decision-making and the execution of operations, matters to be discussed by the Board of Directors are specifically set forth in the Board of Directors Regulations and the submission standards. For example, the annual budget and matters related to assets or funds above a certain threshold are subject to deliberations and resolutions of the Board of Directors. In addition, we have stipulated in our code of ethics that we will not engage in any improper transactions that may harm the interest of our company.

Board of Auditors

Meetings of the Board of Auditors are attended by all corporate auditors of the company (one full-time corporate auditor and two outside corporate auditors) and chaired by the full-time corporate auditor. In principle, such meetings are held monthly, at which time members deliberate on the appropriateness of the agenda at meetings of the Board of Directors and the status of the execution of duties by executive directors and others.

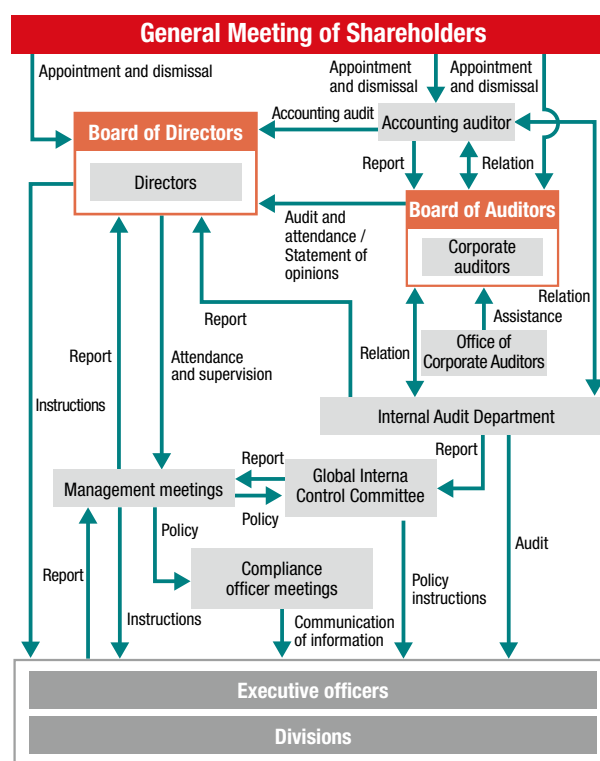
Management Meetings

We have also established management meetings. In principle, they are held once per month, at which time members deliberate and make decisions on prior deliberations undertaken with respect to agenda items submitted to the Board of Directors and other material matters related to Group operations and businesses.

Executive Officer System

We have introduced an executive officer system in which management decision-making and auditing roles are separated from business execution roles. By separating the officers involved in management and business execution, decisions on company-wide management strategies can be made more effectively and meetings of the Board of Directors can be streamlined to facilitate swifter decision-making.

● Diagram of the Corporate Governance System



● Composition of Key Management Committee Bodies

Key committee body	Frequency of meetings	Chaired by	Members
Board of Directors	Monthly	President	• Directors
Board of Auditors	Monthly	Full-time corporate auditor	• Full-time corporate auditor • Outside corporate auditors
Management meetings	Monthly	President	• Executive officers and directors • Full-time corporate auditor • Managing executive officers and others

◆ Toward Enhancing the Effectiveness of Governance

Training

To ensure that the roles and responsibilities expected of directors, corporate auditors, and executive officers are properly fulfilled, we provide training to deepen their understanding of their roles and responsibilities and allow them to acquire the necessary knowledge.

Governance of Group Companies

We also promote the fortification of governance at subsidiaries located in Japan and overseas by holding meetings with their boards of directors. In fiscal year 2023, continued to make decisions and monitor the operations of domestic and overseas subsidiaries based on the decision-making procedures that are deemed important in the governance of the Yazaki Group. The effects of regulatory amendments implemented in the previous year became evident, enabling more agile decision-making for certain capital investments through the appropriate delegation of authority to subsidiaries both domestically and abroad.

Additionally, we implemented an IT system for electronic applications and approvals for domestic projects, which was originally introduced for overseas projects. To facilitate this transition, training sessions were held for all domestic locations and divisions, allowing for the shift to system-based operations. During these training sessions, the content of the approval rules (rules governing authority) was also revisited to deepen understanding among executive officers and employees. Following internal audits, more detailed follow-up training was conducted at locations where the decision-making process based on approval rules had not been thoroughly enforced.

◆ Strengthening Internal Controls

The Global Internal Control Committee, which is chaired by the president, monitors and evaluates the effectiveness of internal controls, including risk management as it relates to compliance, sustainability, BCP and information security within the Yazaki Group.

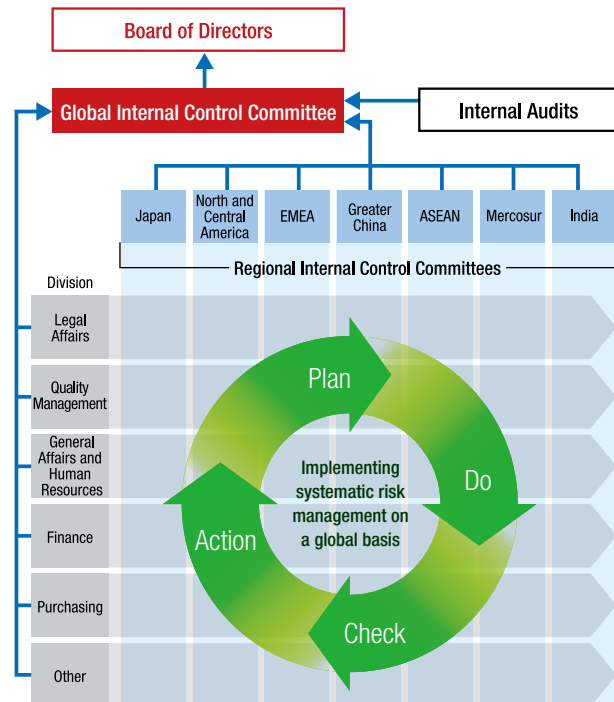
Material matters concerning the internal controls are reported semiannually by our management divisions and the Internal Control Committee for each region to the Global Internal Control Committee, where upon important management risks and specific measures are discussed. As the highest body for decision-making for global internal control, the Global Internal Control Committee held meetings twice in fiscal year 2023, reporting and deliberating on various global issues and risks.

In addition to initiatives carried out on a global level, we have also promoted the fortification of internal controls on a regional level through efforts spearheaded by our regional headquarters. We have been establishing a system for risk management and the promotion of internal controls in each region since fiscal year 2018 and

are currently implementing a PDCA cycle (appropriate ascertainment, control, monitoring, and remediation of risks) for activities, deepening initiatives in each region, and expanding good practices to other regions.

In fiscal year 2023, meetings of the Internal Control Committees were generally held in each region, and our headquarters in Japan actively participated remotely. Our Internal Control Committee in Japan also continued to hold meetings.

● Structure for the Promotion of Internal Controls



Global Internal Control Committee Important Agenda Items (FY2023)

1. Compliance

- Report on the status of activities related to global compliance issues
- Report on compliance activities in overseas regions

2. Internal Audits

- Expansion and strengthening of global internal audit activities and monitoring progress
- Reporting on global internal audits (Strengthening corrective management and resolving long-outstanding issues)

3. Sustainability

- Strengthening human rights initiatives (Human rights due diligence at our company and in the supply chain)
- Report on draft of our Sustainability Policy and Sustainability Story

4. Japan Act on the Protection of Personal Information

- Report on compliance with this law

Strengthen risk management and BCM*

The Yazaki Group implements the PDCA cycle to appropriately manage various risks associated with its business activities and takes measures to ensure the smooth continuation or restoration of business operations in the event of a large-scale disaster.

* Business Continuity Management

Risk Management

The risks surrounding companies are changing on a daily basis and need to be addressed flexibly. In fiscal year 2023, the Yazaki Group continued to apply the PDCA cycle for risk management in order to develop suitable measures to address all risks surrounding the company and Group companies in accordance with their respective nature and level of importance. As for major Group-wide risk factors, the Global Internal Control Committee, which is chaired by the president, deliberated on countermeasure proposals based on the results of assessments conducted by the functional divisions, implementing initiatives to reduce risk company-wide.

At each site, the persons in charge and the head of the worksites conduct inspections, and the results are reported to the Internal Control Committee in each region after the regional headquarters review for any outstanding issues and examine possible measures. The Internal Control Committee for each region examines

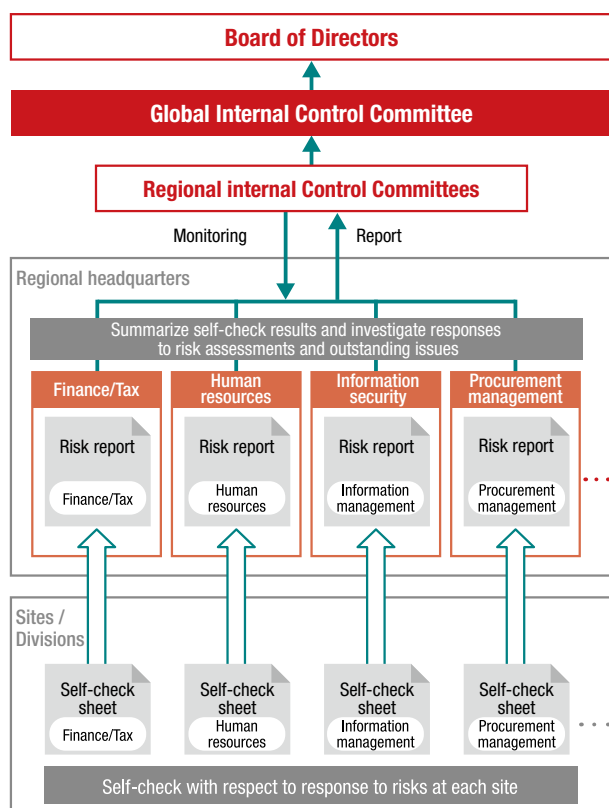
any major risks that are present, deliberates on the appropriateness and sufficiency of responses to these risks, and monitors the state of any responses that are undertaken. In fiscal year 2023, in addition to continuing our existing risk management activities, we operated a database for storing information on past risk management incidents that have occurred within the Yazaki Group. We are taking the new incidents recorded in this database into account in our risk management activities to enhance the self-checks performed at our sites. The Internal Control Committee will continue collecting information on incidents and sharing them throughout the Group.

Disaster Measures and BCP Initiatives

To respond to events such as infectious disease outbreaks or geopolitical conflicts, we have established a crisis management system to minimize damage or loss to our business, with the highest priority placed on the safety of our employees. Based on this crisis management system, we engage in swift decision-making, and take cross-sectional measures on a global level, such as implementing BCPs for each business and sharing information on prevention and countermeasures. In the event of a natural disaster, such as a major earthquake striking the Nankai Trough, we aim to fulfill our responsibility to supply products and services while maintaining and enhancing trust in our company by endeavoring to ensure business continuity in accordance with BCPs.

We formulated various types of manuals and are working on measures to protect our employees and facilities from the increasing numbers of natural disasters that are caused by climate change and other factors and to minimize any damage sustained as a way to prevent communities and customers from being unduly affected by disasters. We have prepared the Wind and Flood Response Manual to respond to typhoons, torrential rain, and storm surges, the Earthquake Response Manual to respond to earthquakes and tsunamis, and the Eruption Response Manual to respond to volcanic eruptions. We have also developed a disaster prevention management system and provide education and training in accordance with these manuals, seeking to promote an understanding of disaster prevention management and making preparations to ensure that everyone is capable of responding appropriately in an emergency.

Framework of Risk Management Activities



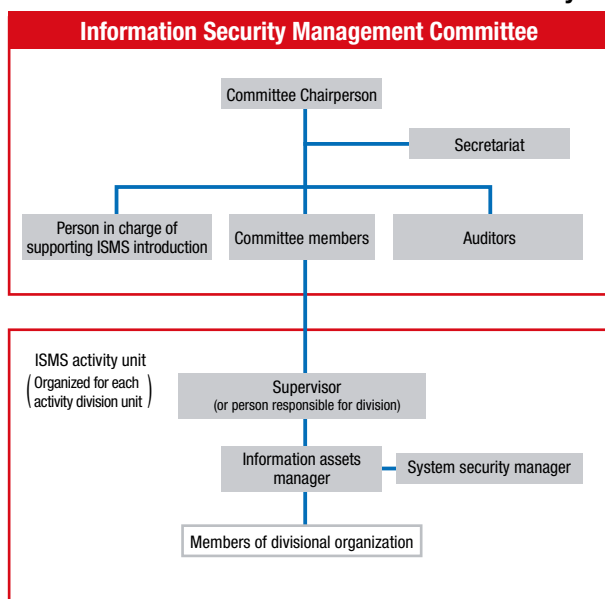
Promote information security

At the Yazaki Group, we strive to strengthen relationships of trust with customers and other stakeholders by enhancing Group-wide information security measures, establishing frameworks for raising the security awareness of each employee, and implementing global cybersecurity measures.

System for the Promotion of Information Security

The Yazaki Group has obtained Information Security Management System (ISMS) certification based on the ISO/IEC 27001 international standard in Japan and overseas. In order to promote a high level of information security, we established the Information Security Management Committee in Japan and assigned a committee member to each division. At meetings of this committee, which are held every other month, members verify the state of information security activities in each division and work to promote standardization, the introduction of common measures and schemes, and education to ensure that all employees can carry out their duties with an awareness of information security.

● Structure for the Promotion of Information Security



Information Security Initiatives

With the evolution of technology and expansion of digitalization in recent years, the importance of data held by companies and organizations has increased alongside threats such as data leaks, hacking, and malware attacks. To respond to these threats, many countries and regions are tightening laws and regulations for data protection and security, and the development of international frameworks and standards is also advancing.

In response to this situation, the Yazaki Group has established a fundamental policy to protect various confidential information, including personal information of customers and business partners acquired in the course of operations, and to properly manage necessary product-related information. We have also implemented the necessary rules to support these efforts. Additionally, to promote security measures in accordance with personal information protection laws such as the EU GDPR* and other regulations in different countries, we have established systems in each region (EMEA, North and Central America, Asia, and South America).

* General Data Protection Regulation

Cybersecurity Initiatives

In response to recent cyberattacks, the Yazaki Group is actively working on a global scale based on the following policies:

- Establishing an organization to promote unified strategies and execution globally
- Implementing standard tools globally
- Timely adoption of the latest cybersecurity technologies
- Building a common infrastructure foundation

We will continue to address challenges such as global approaches, employee education, reducing cybersecurity risks in the supply chain, and mitigating vulnerabilities.

Information Security Education

To raise awareness of information security, the Yazaki Group is dedicated to educating and informing employees. We have issued an information security guidebook to ensure that each employee understands the importance of information security and can practice it in their daily work.

Furthermore, by introducing e-learning, we provide an accessible environment for employees to engage with educational content. We also conduct simulated phishing email training to enhance awareness and recognition of suspicious emails.

Practice thorough compliance

To properly “Uphold the law, respect regional cultures, and contribute to economic and social development” as set forth in our Fundamental Management Policy, we are carrying out activities with a four-pronged approach consisting of the clarification of laws and regulations that we must comply with, compliance training, monitoring, and the operation of a whistle-blowing system.

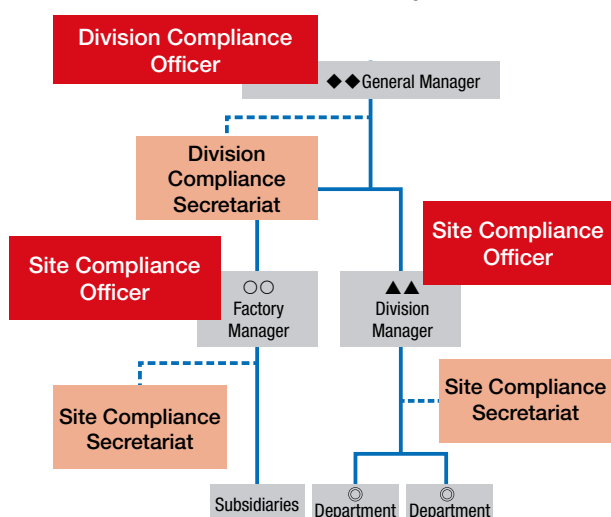
Structure to Ensure Compliance

To ensure that each division in Japan takes the initiative in conducting compliance activities, we have appointed the head of each division to the position of compliance officer, which is the person responsible for compliance management in the assigned division, and have been holding the Compliance Officers Meeting, in which compliance management issues are shared and the latest information on the enactment and revision of laws and regulations are disseminated, two times a year since 2014. In fiscal year 2023, the meeting included reports on the Company’s compliance status, the impact of new or amended laws, the Company’s response to government guidelines, and case studies related to compliance issues that occurred both internally and externally.

In addition, the Subsidiary Legal Affairs Support Department was established in fiscal year 2020 to ensure legal compliance and appropriate management of contracts throughout the entire Yazaki Group in Japan. This department has provided support in regard to these matters and other various legal activities undertaken by domestic subsidiaries.

To promote compliance globally, we are building a framework based on our Global Compliance Policy that sets out minimum requirements in regard to each region’s compliance systems (legal information collection, organization, reporting, etc.) and the whistle-blowing system. In fiscal year 2023, we continued to conduct a survey on the status of regional compliance systems and confirmed that they were functioning appropriately.

● Structure for the Promotion of Compliance



Clarifying Laws and Regulations with Which We Must Comply

In Japan, we make use of the Yazaki-wide Legal Compliance Control Item Table, which consists of a compilation of laws and regulations commonly applicable to all of our businesses and their respective requirements. In fiscal year 2023, we updated the table to reflect the enactment and revision of laws, and based on the results of internal audits and the occurrence of cases both inside and outside the Company, the risk assessments for each law were reviewed and distributed to all domestic divisions, including subsidiaries.

Globally, we have produced policies for each overseas region based on the Global Compliance Policy. In accordance with these policies, we have identified the laws applicable to us and have made efforts to ensure compliance.

Compliance Training

In Japan, we provide training by job position, level, and law and regulation, including officer compliance training for those in management. During the training, we use compliance case studies that are relevant to the participants’ roles and introduce the Company’s compliance activities, aiming to promote a deeper understanding of compliance and raise awareness among participants.

As an example of compliance education, in fiscal year 2023, we provided training for purchasing personnel in divisions that engage with subcontractors, focusing on promoting proper subcontracting practices. External instructors were invited to conduct the training, which covered topics such as revisions to subcontracting laws and key points to be mindful of in subcontracting transactions.

In fiscal year 2023, we also held the Yazaki Legal Conference for the presidents of our domestic subsidiaries. Participants shared information on compliance initiatives, and we also invited an outside attorney to give a talk on managing business partner relationships.

Monitoring of Legal Compliance

To monitor the effectiveness of legal compliance in Japan, regular self-checking based on the use of a Compliance Check Sheet is conducted. We also make efforts to ensure the achievement of legal compliance through the implementation of site checks by the departments in charge of laws and regulations for various areas, such as personnel, financial, and environmental, and a regular audit conducted by our Internal Audit Department.

In fiscal year 2023, self-checks were carried out at 55 domestic Group companies, and the departments in charge of laws and regulations checked detected risks at worksites.

Management of the Whistle-blowing System

To detect violations of the law and regulation at an early stage and prevent their occurrence, the Yazaki Group has put in place whistle-blowing hotlines in each region.

Regarding Yazaki Ai, a domestic whistle-blowing system, we established an internal office for reporting and an independent outside legal office for reporting at an outside law firm to thoroughly protect whistleblowers, thereby ensuring their anonymity and keeping them rigorously protected from reprisals and other detrimental treatment. In fiscal year 2023, based on employee feedback from a survey regarding Yazaki Ai, we distributed posters at the Compliance Officer Meeting to raise awareness of the Yazaki Ai system. Additionally, a new Q&A collection was published to further clarify the system's content.

In addition to the measures taken in each region, we have decided to implement a global whistleblower system that allows employees abroad to report directly

to the headquarters. In fiscal year 2024, we plan to conduct legal research and prepare global regulations for specific regions, with the aim of launching the system in those regions first. In addition, preparations for implementation in other regions will proceed sequentially.

Topics

Company-wide Compliance Secretariat assistant "Chiho-chan"

To foster a sense of familiarity with compliance, the Company-wide Compliance Secretariat created a character called "Chiho-chan", a play on the term "legal knowledge" in Japanese. In fiscal year 2023, Chiho-chan played an active role as the e-learning instructor for a course on antitrust laws, aimed at all employees in Japan, helping to bring compliance closer to everyone.



Prevent all forms of corruption

The Yazaki Group has established mandatory common rules for compliance with competition laws and the prevention of bribery in Japan and overseas, and we are engaging in compliance activities accordingly.

Complying with the Antimonopoly Act

The Yazaki Group solemnly accepts that it violated the Antimonopoly Act in the past and has since developed a framework and implemented countermeasures to prevent recurrence. In fiscal year 2020, marking the tenth anniversary of the violation involving automotive parts, we launched an initiative to prevent the erosion of compliance awareness over time.

In Japan, we continued these education programs in fiscal year 2023. In the training, participants watch video footage of interviews with people connected to the incident, and each employee is encouraged to discuss what actions should be taken. In this way, we ensure the incident is remembered and that similar incidents are prevented. In addition, at Yazaki Energy System Corporation, we have created learning materials to educate employees on past violations in the electric wire and gas equipment businesses. We plan to gradually implement training with these materials from fiscal year 2024 to prevent erosion of compliance awareness.

Globally, we conduct training under the leadership of the regional legal affairs divisions for employees exposed to competition law risks, in which they are informed of rules and expected actions for thoroughly maintaining compliance with competition laws in business operations. We also conduct training so that our past violation is not forgotten, which adopts the same discussion-based format as used in Japan.

Preventing Corruption

To promote fair business practices in all countries and regions where we operate, we have developed and are operating a framework to make sure that employees do not commit acts of corruption and are focused on securing a sound management environment.

In fiscal year 2023, we revised the company rules on bribery prevention for our sites in EMEA and India, and conducted surveys on the status of company rule compliance regarding bribery prevention at our sites in Greater China.

Voice

Tao Ting Xu

General Manager
Corporate Governance & Legal
Affairs Department
Yazaki (China) Investment
Corporation



In the Yazaki Group's Greater China region, we conduct audits to ensure compliance with internal regulations on

bribery prevention. Specifically, we perform on-site audits at each location in the region to verify that the set limits for gifts and entertainment are followed, and to confirm that prohibited items, such as gift certificates, are not being exchanged. This process includes inspecting receipts attached to necessary applications and payment requests submitted to the company. In addition, we have established integrity agreements with over 1,000 suppliers, prohibiting gifts and extravagant entertainment for Yazaki Group employees, and we continue to update the list of applicable suppliers. We are committed to maintaining and further strengthening these bribery prevention efforts.

Respect human rights

In accordance with the Yazaki Group Human Rights Policy, the Yazaki Group respects the human rights of all stakeholders involved in its business activities while taking international norms and the laws and customs of each country into account.

Enacting the Yazaki Group Human Rights Policy

Following approval by the Board of Directors, we established the Yazaki Group Human Rights Policy based on the United Nations' Guiding Principles on Business and Human Rights.

Based on this policy, we support international standards such as the International Bill of Human Rights (Universal Declaration of Human Rights and International Covenants on Human Rights) and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

This policy, which takes precedence over individual related policies and documents on respecting human rights (such as our Sustainability Policy, Global Responsible Mineral Policy, and Code of Conduct), applies to all domestic and overseas Yazaki Group companies and employees. We will also ask our business partners and other concerned parties to agree to this policy.



WEB **WEB Yazaki Group Human Rights Policy**
<https://www.yazaki-group.com/en/csr/#humanrights>

Human Rights Due Diligence

The Yazaki Group has implemented initiatives to reduce human rights risks within its supply chain based on the Yazaki Group Human Rights Policy.

As specific initiatives, we added child labor and forced labor to our Compliance Check Sheet and are ascertaining the state of initiatives being carried out by our Group companies in Japan. In addition, at fourteen

domestic sites that run programs for technical trainees, we conduct on-site audits of such programs in accordance with the check sheets that include items pertaining to child labor and forced labor. In fiscal year 2023, no issues were identified at the sites.

Regarding the human rights risk assessment, which is listed as a key issue by the Global Internal Control Committee, we have been operating a global version to date. In fiscal year 2023, we aligned this with the compliance checklist items used by the domestic Group. Going forward, we will continue our efforts to reduce risks globally, including in Japan.

Since fiscal year 2020, we have conducted human rights due diligence at Group companies overseas every year. By harnessing our framework for risk management activities, we have conducted comprehensive self-checking and evaluation of the appropriateness of systems and daily operations at each site and the existence of human rights risks in such forms as forced labor, child labor, and discrimination. The results of this process were reported to the Internal Control Committee in each region, whereupon measures for ameliorating identified risks were discussed, and the monitoring of the state of the implementation of these measures was undertaken.

In fiscal year 2023, we continued to conduct human rights risk assessments across various regions of the Yazaki Group, as we did in the previous year. During the Global Internal Control Committee held in May 2024, we reported on the implementation status of the fiscal year 2023 risk assessment and whether there were any high-severity risks. Although no high-severity risks were

identified, management emphasized the importance of respecting workers' rights and sought the understanding of the attendees. We will continue to conduct risk assessments and strive to prevent and reduce risks throughout our global operations.

As for child labor, we have conducted a survey of the state of compliance with minimum working-age standards based on international norms and the laws and regulations of each country at our overseas sites. In fiscal year 2023, the survey was conducted for 97 companies, and all responded that no violations had occurred. We will continue to monitor the status of compliance.

As a measure to reinforce our response to human rights risk within our supply chain, we are also distributing our Supplier CSR Guidelines, Supplier CSR Self-Assessment Sheet, and the Human Rights Initiatives Assessment Sheet to our suppliers in order to confirm the status of their CSR and human rights efforts. In fiscal year 2023, based on the responses from the self-assessment sheets, we conducted interviews with 10 domestic and 25 overseas suppliers. During the interviews, we reviewed the suppliers' views and policies on respecting human rights, their employee training practices, and the presence of consultation channels. Moreover, we discussed the importance and benefits of proactively disclosing information about their own human rights efforts. As a result, no issues that could lead to human rights violations were identified among the suppliers.

We also shared the status of our initiatives with suppliers in Greater China and ASEAN with other regions within the Group, including North and Central America, Mercosur, EMEA, and India, urging suppliers to raise awareness about the increasing importance of respecting human rights.

Preventing Discrimination and Harassment

Along with clearly stating respect for diversity and the elimination of discrimination in our Sustainability Policy, we are working to ensure respect for diversity and eliminate discrimination by stipulating that all forms of discrimination, including discrimination on the basis of nationality, ethnicity, sex, sexual orientation, age, place of birth, educational background, connections and relations, disability, religion, and employment status, are to be eliminated in our Code of Conduct, which constitutes a guide to actions carried out by employees.

In Japan, to prevent harassment at workplaces, December has been designated as "Harassment Prevention Month." During this period, we promote awareness of harassment and conduct harassment-prevention training via e-learning. Based on the results of post-training surveys, we implement countermeasures to thoroughly prevent workplace bullying such as training for all employees and including examples of past incidents in training materials for new recruits or those undergoing promotion to prevent similar incidents from occurring in each individual's workplace. We also rapidly identify and respond to any incidents that involve human

rights violations via our harassment hotline in the event that they occur.

Human Rights Education

In Japan, we continue to provide sustainability training for newly appointed responsible persons (persons responsible for overseas sites, presidents of subsidiaries, and heads of business sites), newly appointed department heads and leaders, new employees and mid-career employees, and employees before they embark on an overseas transfer, and we are endeavoring to properly instill greater understanding of respect for human rights and matters concerning child and forced labor in employees as part of this training. For management, at meetings of the Global Internal Control Committee, we report on trends in laws and regulations concerning human rights as well as media coverage of human rights issues, thereby deepening the understanding of the growing societal demands.

Responding to the UK Modern Slavery Act

Each year, in accordance with the UK Modern Slavery Act of 2015, which was enacted for the purpose of eradicating modern slavery in 2015, the boards of directors of Yazaki Europe Limited which operates in the United Kingdom, Yazaki Europe Middle East Africa and Yazaki Corporation, as Yazaki Europe's parent company, formally endorse a statement on dealing with modern slavery in our supply chain and post this statement on our respective websites.



WEB Slavery and Human Trafficking Statement

<https://www.yazaki-group.com/en/csr/csr/#StatementontheUKModernSlaveryAct>

Selected global sustainability initiatives

Category

Initiatives with employees

Contribution to development of local communities

Contribution to the environment

The Yazaki Group engages in various initiatives that reflect the characteristics of the countries and regions in which it operates. Here, we will introduce some of the initiatives.

Europe



United Kingdom

Yazaki Europe Limited (YEL)

Charity Morning Coffee

In September 2023, YEL Basildon Headquarters enjoyed a charity morning coffee. Macmillan Cancer Support, a support group for cancer patients, provides spiritual, practical, physical and economic support to help those battling cancer. The YEL Basildon Headquarters donated a total of 321.61 pounds to this charity. As a token of appreciation, handmade cakes brought by colleagues were shared with the employees who contributed. In addition, everyone enjoying a lovely morning together made it a rewarding experience for all involved.

Germany

Yazaki Systems Technologies GmbH (YST-DM)
YEL Cologne Branch Office (YEL-KO)

Participating in a Charity Company Run



In July 2023, seven employees from YST-DM and two employees from YEL-KO participated in the "B2Run" charity run as Team Yazaki. Over 30,000 runners from 1,478 teams took part in the event involving a 6 km run held in Munich, Germany, and the 2023 event took place under sweltering conditions with a maximum temperature of 38°C. While Team Yazaki was smaller than many of the other teams, no one lacked motivation. Proceeds from the charity run will be used to support the activities of DKMS, a bone marrow donation organization in Germany.

Italy

Yazaki Europe Limited Italia S.R.L.

Initiatives to Raise Awareness of Sustainability



The YEL Italy Branch Office held an all-hands meeting for Italy in September 2023, which was attended by roughly 120 local employees. Managers from the regional headquarters took part in the meeting and each of them communicated key messages to employees. These included an explanation from the General Manager about an initiative related to local sustainability and a project based on it. The project aims to reduce plastic consumption and educate young students about environmental responsibility. Employees were also encouraged to participate in the "Your voice counts" employee survey.

France

Yazaki Europe Limited Paris Branch Office
Yazaki Systems Technologies France S.A.S. (YST)

Operation of an Idea Box by Employees



When employees of the YEL Paris Branch Office and YST have ideas about improvements that can be made in our business operations, we write them down and drop them in an "Idea Box". Commendations are issued for the best ideas twice a year, and for the commendation issued in May 2024, the idea to have everyone reverse park on the premises was selected. Reverse parking makes it easier for drivers to be aware of their surroundings, reduces the risk of poor visibility leading to collisions with pedestrians, and makes it easier to evacuate quickly in case of fire. We are already looking forward to the next vote on ideas scheduled for January 2025.

Belgium

YEL Belgium Branch Office

Saying "NO to Litter!" with Teamwork



Employees of the YEL Belgium Branch Office conduct activities to collect litter scattered by the wind during strolls around the company premises on our lunch breaks. The initiative not only protects the environment but also promotes the health of employees and fosters communication between team members. Going forward, we will continue to raise awareness of environmental conservation while working together as a team with "NO to Litter!" as a slogan.

Decarbonization Roadmap for the Portuguese Automotive Sector

Portugal

Yazaki Saltano de Ovar Produtos Eléctricos, Lda. (YSE)

Formulation of a Roadmap for Decarbonization

YSE takes part in an ambitious sustainability initiative launched by Mobinov, an automotive industry association in Portugal. The purpose of the activities is to formulate a roadmap toward decarbonization of the automotive sector. 20 companies in total representing various parts of the automotive industry are promoting the transition to a sustainable future and working to lessen the impact that business activities in the automotive industry have on the environment.



Croatia

YEL Zagreb Branch Office

Conducting Blood Donations

In February 2024, the YEL Zagreb Branch Office held a blood donation event on a joint basis with the Croatian Institute of Transfusion Medicine. The participation rate in blood donation programs has traditionally been high at the Zagreb Branch Office, and around 20% of employees gave blood, in keeping with the motto that "they are someone's blood type." The generosity and enthusiasm of employees seeking to help others in the local community and society are emblematic of the Yazaki Spirit.

Romania

Yazaki Component Technology S.R.L.

Building Fellowship Through an Inter-Site Mini Soccer Tournament



At the YCT Arad Factory, the 1st Yazaki Mini Soccer Tournament: Cup of Excellence, was held. Teams from all six sites within Romania representing the YRL Headquarters Factory, Caracal Factory, Braila Factory, Buzau Factory, YCT Headquarters Factory and Timisoara Office took part, and some intense battles unfolded. The winning team from YCT was awarded a cup, while the most valuable goalkeeper and most valuable player honors went to individuals. While we belong to different offices and factories, this was a great opportunity to foster fellowship.



Poland

Yazaki Automotive Products Poland SP. Z O.O. (YAP-P)

Santa Visits YAP-P

One day in December 2023, employees of YAP-P dressed up as Santa Claus and walked around the factory handing out delicious sweets. Many colleagues came to work wearing similar red hoods. The event created a cheery atmosphere and laughter from employees enjoying themselves in the factory could be heard. There were also scenes of employees trying to get photos taken with Santa. Handing out sweets not only increased the energy levels of the employees, but also raised our team spirit.



Bulgaria

Yazaki Bulgaria EOOD (YBE)

Conducting a Tree Planting Event to Recognize the International Day of Forests

March 21 is known as the International Day of Forests. It is a day for raising awareness of the importance of forests and emphasizing the critical role that forests play in the environment. The staff of YBE gathered to pay tribute to this day by planting trees, demonstrating resolutions to leave a greener and more sustainable future for coming generations.



Ukraine

Yazaki Ukraine L.L.C. (YUL)

Continuing with the Blood Donation Campaign

At YUL, 101 employees participated in the blood donation campaign in October 2023. This initiative was implemented in response to the wishes of colleagues to support those requiring blood due to the urgent situation in the eastern Ukraine region. 45 liters of blood were provided. The regional blood transfusion station, which continues to face the issue of blood shortages, expressed its thanks for the initiative. YUL has continued to donate blood every two months since then, with many employees expressing the wish to donate blood each time. As the phrase "if you sow good, you will reap good" suggests, we wish for the good health of all people.

Turkey

Yazaki Systems Technologies Turkey Otomotiv Sanayi ve Ticaret Ltd. Sti. (YST-TB)
Yazaki Wiring Technologies Türkiye Elektrik Sistemleri Sanayi ve Ticaret Limited Sirketi. (YWT-T)

Raising Awareness About Cancer Affecting Women

At YST-TB and YWT-T, employees wore pink ribbons to spread information about the importance of early diagnosis and testing for forms of cancer that affect women, and to raise awareness of cancer prevention. In addition, training was conducted online at YST-TB and on-site at YWT-T, with doctors from the district health bureau conducting sessions to improve knowledge about cancer.



Serbia

YAZAKI SERBIA D.O.O. (YSD)

Activities to Donate Our Bottle Caps

YSD has a tradition of supporting the Cap For Handicap initiative. For more than six years staff have collected bottle caps for donation. The funds raised from the initiative are used to purchase orthopedic assistive equipment for people with disabilities. In fiscal year 2023, we held an internal contest to determine the department that could collect the most bottle caps in order to raise motivation for even more employees to get involved with the initiative. The HR department won by collecting 19 kg of bottle caps, while YSD collected 86 kg of bottle caps overall. We are honored to be involved with this initiative.

Asia



India

Yazaki India Private Limited (YIPL)

Running a Water Conservation Project

Since 2023, YIPL has been working on a water conservation project in Kanhur Mesai Village on the outskirts of Pune City together with an NGO. The project aims to remove sediment that has accumulated in eight bodies of water over more than five decades, and the success of the project will mean that water will seep into the ground, increasing the groundwater level. Due to existing water shortages, in February it was necessary to deliver water to the village via a tanker truck, but by collecting rainwater and raising the groundwater level, in fiscal year 2023 it was possible to draw water from 113 wells despite low rainfall during the rainy season. As a result, over 6,000 local residents struggling with water shortages were able to use clean water. In recognition as a company fulfilling its social responsibility, YIPL received a commendation from India's Union Minister of States.

China

Shantou Special Economic Zone Yazaki Auto Parts Co., Ltd. (SYA)

Volunteer Activities at a Nursing Home

In China, the ninth day of the ninth month in the Chinese lunar calendar is the day of a traditional festival known as the Double Ninth Festival. The day is also known as the "Day of the Elderly," which is dedicated to showing respect for the elderly. On the Day of the Elderly in 2023, representatives of SYA visited a nursing home in the neighborhood to perform volunteer activities. Members of the union brought cleaning goods to clean the nursing home, while milk and sweets prepared by the union were donated to elderly people in the area. The elderly people who received the gifts noted that "Yazaki visits every year and is a caring company," drawing smiles from the people who were there. SYA has been visiting nursing homes each year since 2005, and as of 2023 has visited 11 such locations, offering support to 6,260 people in total.



Africa



Morocco

Yazaki Morocco S.A. (YMO)

Factory Tour for Children of Employees

In June 2024, over 600 children visited YMO for the second employees' children factory tour event, creating an atmosphere of joy and excitement. To give the children a broad idea of the work their parents do at YMO, interactive games, workshops and a factory tour were held, giving the visiting children an opportunity to learn about the essence and various aspects of working at YMO. The children were also able to learn about the important roles their mothers and fathers play in ensuring the success of the Yazaki Group.

Tunisia

Yazaki Tunisia S.A.R.L. (YTU)

Raising Environmental Awareness Through a Tree Planting Event

One of the major goals of "National Tree Day" celebrated in November each year is to prevent erosion by planting trees. The employees of YTU support this goal, and possess a deeply rooted awareness of environmental responsibility and sustainability. On National Tree Day in 2023, YTU employees held an event to add greenery around the premises of the factory together with children from the local kindergarten. The event is based on the belief that our actions today lead to happiness tomorrow, and is not only about planting trees, but is also regarded as an opportunity to learn how to cultivate plants and the importance of protecting the soil, and represents a good opportunity to raise environmental awareness among employees and children.



Egypt

YAZAKI EDS EGYPT, Egyptian J.S.C (YEG)

Introducing New Employment and Internship Opportunities at a Job Fair

The joint job fair held by Fayoum University and the American University in April 2024 was an excellent opportunity for the students and graduates of the universities living in Egypt to find new jobs. During the opening ceremony of the job fair, YEG, which is scheduled to begin operations in 2025, was officially recognized as a Golden Sponsor. The recognition emphasizes that YEG supports the development of talented human resources in the local community. During a speech given to the students, the top management of YEG gave an introduction to the company and highlighted that YEG would provide a wide range of employment and internship opportunities to students of the universities.



South Africa

Hesto Harnesses (Proprietary) Limited

Renovating a Tribal Council Office for the Local Community

HESTO provided support for renovations to the office of Chief Dube in the KwaDukuza community of KwaZulu-Natal province where the factory is located. The office is where tribal council meetings are held to discuss various issues in the KwaDukuza community, and is a place where important decisions that affect the community are made. Additionally, although the location is a symbol of the community's positive image, various parts of it were in need of repair. HESTO employees made repairs to the ceiling and walls, completing renovations so that meetings can be held with peace of mind.





Thailand

Thai Yazaki Group

Activities at Each Site Expressing Gratitude to Local Communities

The Thai Yazaki Group has been operating in Thailand for over six decades, earning the trust of the surrounding communities where it conducts business. In September 2023, to express its feelings of gratitude towards local communities by promoting the development of a sustainable society, Thai Yazaki Group company TAP-C delivered computers and science labs to schools in the surrounding area, TAP-P constructed safe playgrounds, TMP constructed toilets suitable for children's development, and TAP-B provided rain shelters. In addition, TYE-P cleaned the area in front of the company to improve the scenery, TYE-S participated in tree planting to increase shade organized by the Khlong Suan Subdistrict Municipality, and YIC-AP donated funds, painted buildings, planted trees and provided supplies and lunches to the Ban Phu Bon School in Uthai Thani Province.

Myanmar

Myanmar Yazaki Thilawa Company Limited (MYT)

Donations to Elderly People in the Local Community

In May 2024, MYT donated foods, snacks and drinks with high nutritional value to residents aged 80 and over living in Shew Pyauk Village, near the Thilawa Special Economic Zone where MYT is located, in an effort to provide support to elderly people in the local community. The initiative aimed to alleviate some of the burden on the elderly due to rising living expenses. MYT received words of thanks from the recipients, and we felt that we managed to have a positive impact on society. The donations embody the feelings of gratitude and respect we have for the elderly. Going forward, we will continue to support the local community through activities that reflect our corporate policy.



Japan

Gifu Parts Co., Ltd.

Donating Aro Eco Mattress II Disaster Shelter Products

Gifu Parts Co., Ltd. donated Aro Eco Mattress II disaster shelter equipment manufactured at its headquarters factory (paper recycling business) to Higashishirakawa Village in Gifu Prefecture. Aro Eco Mattress is a mattress for use in disasters which uses the Aro Eco cushioning material made from paper. The mattress has the cushioning properties of a foam board and the texture of paper, making it suitable for use on hard floors and in cold conditions. After use it can be disposed of as combustible waste. The donations were made out of a desire to contribute to the local community and ensure that our products are available for use at disaster shelters if needed.



Cambodia

Yazaki (Cambodia) Products Co., Ltd. (YCP)
Cambodian Yazaki Energy System Co., Ltd. (CYES)

Activities to Support the U-18 Cambodia National Soccer Team

In 2023, Koji Gyotoku, who was at the time the head coach of the U-18 Cambodia National Soccer Team, submitted a proposal to engage in activities that would give something for children to aim for as well as raise the level of soccer in Cambodia. In response, in March 2024 a ceremony to present support items was held by YCP and CYES as part of support activities for players on the team. The ceremony took place at the Olympic Stadium in Phnom Penh, with interested parties such as Football Federation of Cambodia Secretary General Keo Sareth in attendance. Travel expenses and soccer spikes were presented for two players to attend a J-League training camp. Going forward, we will continue contributing to the development of local communities in Cambodia by raising the level of soccer.



Vietnam

Yazaki Haiphong Vietnam, Ltd. (YH-V)

Producing Eco Items that Reuse Waste Materials

YHV utilizes waste materials from damaged storage shelves to produce essential items such as tables and chairs for employees to use during breaks, as well as fire extinguisher holders and cup holders. We also reuse plastic scrap produced during the manufacturing process to produce pull switches for lights and other equipment. Through this initiative, 733 items have been produced in a year, reducing the cost of purchasing new equipment, cutting the amount of waste, and helping us learn new manufacturing technologies and improve our skills. We have supported the initiative and are always arranging materials that can be reused to make new items. Most of the items produced are utilized at the factory, where they are proving effective.



Taiwan

Taiwan Yazaki Corporation (TYC)

Tree Planting Activities to Support International Exchanges

The Jiuru Township of Pingtung County where TYC is located engages in exchanges with the town of Nagomi in Kumamoto Prefecture through educational, cultural, tourist and industrial activities. To build an even better relationship between the two communities, TYC organized Japanese cherry tree planting activities in response to requests for help from the two towns. The aim of the activity is to help participants understand that "it takes ten years to grow a tree, and a hundred years to cultivate human resources." Just like the education of people, plants grow from seedlings, and require continuous care as they develop to create a verdant future and preserve the environment. As a symbol of friendship between the two communities, the initiative aims to cultivate cherry trees that will bloom for a hundred years, and we will continue contributing to the development of local communities and the conservation of the environment to realize our Corporate Policy.



Asia

Philippines

EDS Manufacturing, Incorporated (EMI)

Vocational Training for Students with Hearing Impairments

EMI accepted four hearing impaired students from De La Salle-College of Saint Benilde in Manila for vocational training. As part of their studies, they were accepted for training together with experienced EMI employees, where they learned important lessons and professional ethics through on-the-job training (OJT) that cannot be taught in the classroom. In addition, EMI paid them a training allowance to support their studies and daily transportation expenses. Now that the students have graduated, EMI is proud to have played a part in their academic journeys and success. This initiative contributes to the achievement of our CSR goals, particularly to support and empower persons with a disability in society.

Indonesia

PT. EDS Manufacturing Indonesia (PEMI)
PT. Semarang Autocomp Manufacturing Indonesia (SAMI)
PT. Subang Autocomp Indonesia (SUAI)

Distributing Packages to Celebrate Eid al-Fitr

Eid al-Fitr is an important holiday in the Islam calendar to celebrate the end of the month-long fasting period of Ramadan, and is a cherished opportunity to be enjoyed with family and friends. To coincide with this holiday, PEMI, SAMI and SUAI distribute packages containing daily necessities to members of local communities who are poor or in need. The packages contain rice, sugar, oil, canned goods and other basic foods, helping the recipients welcome Eid al-Fitr with peace of mind. Through these activities, we express our feelings of gratitude to local communities and help improve the welfare of society as a whole.

Singapore

YGP PTE. LTD.

Organizing a Social Studies Field Trip with YGP Volunteers

In December 2023, 22 volunteers from YGP employees accompanied 35 children from the Canossaville Children and Community Services social welfare group on a social studies field trip to a zoo and aquarium with a river-based theme. At the theme park the group was able to view many animals, and the children were very excited to see rare species such as the Mekong giant catfish. Through this social studies field trip, the children were able to learn about tropical freshwater ecosystems and the need to preserve the environment. In addition, this activity reminded YGP of the need to be a responsible and good corporate citizen by actively contributing to the community.

North, Central, and South America

U.S.A.

Yazaki North & Central America (YNCA)

YNCA Summer Internship Program

YNCA is strengthening its collaboration with local universities and focusing on the cultivation of young talent and engagement with the local community through a summer internship program. In the 2024 program, YNCA accepted 40 interns from 14 universities, the largest ever number. In feedback, the interns recognized that there is a family-like corporate culture at Yazaki and that a safe environment that encourages curiosity and innovation is in place. Providing a workplace environment in which the interns can feel valued as a part of the team as they accumulate experience in specialist fields is a core part of the Yazaki Group's corporate culture.

Mexico

Grupo Yazaki S.A. de C.V. (GYSA)

Supporting Victims of the Earthquake in Armeria, Colima

In February 2024, GYSA worked on a joint basis with the non-profit organization United Way to provide support to 10 households in Armeria, Colima who lost their homes in the 2022 earthquake. United Way provided 10 homes, while GYSA donated the proceeds from recycling waste products at its factory. This support brought unity and hope to the local community. An emotional element of this activity was that those who received homes included two employees of GYSA. The households that received homes and donations were able to restart their lives. Yazaki's contributions to local communities go beyond the scope of running its businesses, and this initiative was one that brought about positive change in people's daily lives.

El Salvador

Anecorn de El Salvador S.A. de C.V. (ARCES)

Presenting Academic Excellence Awards to the Children of Employees

In January 2024, ARCES held a presentation ceremony for 35 children of employees to recognize their excellent academic achievements in 2023. The parents of the children, who are also employees working at the Santa Ana factory, also attended the ceremony. The students who had demonstrated academic excellence were presented with school supplies and were offered words of encouragement. Through these activities, we aim to communicate the importance of education and the priority it places on human resource development to employees and their families, and to contribute to the development of society.



Guatemala

Yazaki de Guatemala, S.A. (YGS)

Campaign to Prevent Cervical Cancer, HIV, Hepatitis B and C

Safety is an important theme for YGS, and protecting employees from common diseases is an important role it plays as a company. In Guatemala, where YGS is located, the company ran an awareness-raising campaign that included education about various health screenings and access to medical institutions. These activities are implemented by YGS with the support of local health organizations. By utilizing the facilities of YGS, in addition to bringing about change in the advancement of health in the labor market, YGS can contribute to improving the overall health of people in the local communities where its sites are located. As nearby companies have yet to provide similar programs, we will continue to demonstrate our stance as a leader of the local community through initiatives that serve as a model for others.



Nicaragua

Yazaki de Nicaragua S.A. (YN)

Support for Children with Disabilities

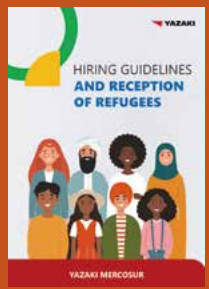
In March 2024, a voluntary fundraising drive was conducted by employees at YN with the help of the HR and manufacturing divisions, with employees and the company making a joint donation to the Teletón Foundation. The donations are used to provide free rehabilitation services to Nicaraguan children with disabilities, and to maintain specialized treatment centers. We believe these important activities bring about positive changes in the local community, and will continue to contribute to the local community as a corporation needed by society.

Colombia

Yazaki Ciemel S.A. (YCSA)

Raising Environmental Awareness by Making Mascots from Recycled Materials

YCSA held an inspiration contest for the company's original mascot YAZAKITO for the children of employees. The initiative aims to raise awareness of the environment including the importance of appropriate resource management by using recycled materials to create the mascots, and is also a precious opportunity for children to learn ways to conserve energy that can be put into practice in their daily lives. At the presentation ceremony after the contest, the efforts and creativity of the participating children were praised, and each received movie tickets and other prizes. This initiative clearly reflects YCSA's commitment to the SDGs and emphasizes YCSA's efforts to minimize CO₂ emissions as one of the measures to combat climate change.



Brazil

Yazaki do Brasil Ltda. (YBL)

Participating in a Forum for Refugee Employment

YBL joined a corporate participation-oriented refugee forum in June 2024. The forum is a joint initiative of the United Nations High Commissioner for Refugees (UNHCR) and the UN Global Compact Network Brazil, and its members include companies and groups with an interest in supporting the employment of refugees. The forum conducts training activities for refugee employment, and shares best practices from companies with a track record in employing refugees. YBL believes that the employment of refugees is an important initiative that demonstrates that a company not only respects human rights, but also puts it into practice. Through participation in the forum, we will not only deepen our understanding of this issue, but also make preparations to actually engage in the employment of refugees, including the preparation of "guidelines for accepting refugee employment" and their distribution among employees of the Yazaki Mercosur Group.

Uruguay

Yazaki Uruguay S.A. (YUY)

Effectively Utilizing Raw Waste Produced by the Cafeteria

Since March 2024, YUY has been cooperating with Las Piedras City to separate and utilize the raw waste produced during the cooking process at its cafeteria. The municipality collects the raw waste from YUY and distributes it across a network of organic gardens throughout the city to produce compost. This is then used to fertilize neighborhood gardens. YUY also donates the nylon, pallets, PVC piping and other equipment needed to create the gardens. Residents, including employees of YUY, participated as volunteers in the cultivation and harvesting of vegetables organized by the city, and the harvested vegetables and donations were able to provide meals to roughly 120 vulnerable people.



Paraguay

Yazaki Paraguay S.R.L. (YPY)

Preserving Water Quality by Installing a Wastewater Treatment Facility

YPY has installed a wastewater treatment system to reduce the amount of untreated wastewater released from its factory. A process has been established to receive, pump and purify the wastewater before it is ultimately released into the adjacent creek as safe water. Previously the wastewater was released directly into the Itay Creek, but thanks to the introduction of the treatment system, the water is treated before being released, thereby minimizing water and soil pollution and contributing to sustainability and protection of the environment.

Argentina

Yazaki Argentina S.R.L. (YAS)

Establishing a Compost Containers to Reduce Raw Waste

In October 2023 YAS set up compost containers to produce fertilizer from raw waste on factory premises, with the aim of reducing the amount of raw waste. Before the containers were put in place, the site disposed of 20 tons of waste each month, but following the installation that has been reduced to 8 tons a month, and 50% of the previously discarded waste is reused as compost, reducing total waste generation. In addition to reducing general waste produced by the cafeteria, employees are also benefiting by taking the compost back to homes to be used as plant fertilizer. As a next step, we plan to donate compost to nearby municipal gardens.



ESG Data

Environment

		Organizations covered	Unit	FY2019	FY2020	FY2021	FY2022	FY2023	Remarks
CO ₂ emissions		Global	10,000 t-CO ₂	53.8	57.0	56.1	52.7	51.7	
		Japan	10,000 t-CO ₂	14.8	13.7	12.9	11.9	12.0	
	Scope 1	Global	10,000 t-CO ₂	—	9.0	8.7	6.7	6.5	
	Scope 2	Global	10,000 t-CO ₂	—	48.6	47.4	46.0	45.2	
CO ₂ emissions intensity of sales		Global	t-CO ₂ / 100 million yen	31.9	35.8	31.5	23.2	20.7	
		Japan	t-CO ₂ / 100 million yen	25.3	22.2	20.9	16.7	15.1	
Energy consumption		Global	TJ	—	8,923	8,791	8,154	7,586	
		Japan	TJ	—	2,712	2,670	2,543	2,410	
Energy consumption intensity of sales		Global	TJ / 100 million yen	—	0.555	0.489	0.359	0.304	
		Japan	TJ / 100 million yen	—	0.443	0.433	0.357	0.303	
Amount of renewable energy introduced		Global	GWh	—	—	—	—	62	
Amount of discharge		Global	10,000 t	12.5	13.8	12.7	12.4	13.4	
Amount of waste		Japan	t	4,999	5,220	5,014	4,890	4,575	The results for fiscal years 2019 to 2022 were revised.
Amount recycled		Japan	t	4,997	5,215	5,008	4,876	4,569	The results for fiscal years 2019 to 2022 were revised.
Recycling rate		Japan	%	99.9	99.9	99.9	99.7	99.9	The results for fiscal year 2021 were revised.
Amount of final disposal		Japan	t	2	5	6	14	6	
Water consumption		Global	10,000 m ³	961	929	916	897	902	The results for fiscal year 2022 were revised.
Quantity of water intake	Tap water	Global	10,000 m ³	362	381	385	359	334	The results for fiscal years 2021 and 2022 were revised.
	Industrial water	Global	10,000 m ³	76	80	77	77	82	
	Groundwater, etc.	Global	10,000 m ³	523	469	454	462	486	The results for fiscal years 2021 and 2022 were revised.
VOC emissions		Japan	t	87	87	81	81	82	Applicable sites: Susono Factory, Ohama Factory, Shimada Factory, Kan Kogyo, and Cable Technica
Emissions of substances subjected to the PRTR Law		Japan	t	10	9	7	6	13	
Transfer amounts of substances subjected to the PRTR Law		Japan	t	5	4	3	4	5	
Number of companies with ISO 14001 certification	Overseas	Companies	—	56	57	55	55		
	Japan	Companies	—	35	35	35	35		
Percentage of companies with ISO 14001 certification		Global	%	—	61	61	60	62	

Society

		Organizations covered	Unit	FY2019	FY2020	FY2021	FY2022	FY2023	Remarks
Consolidated net sales		Global	Billions of yen	1,714.0	1,609.0	1,799.2	2,269.7	2,492.6	
Breakdown of consolidated net sales by region		Japan	%	34.1	38.1	34.3	31.4	31.9	
		North, Central, and South America	%	31.8	26.8	29.1	32.0	32.7	
		Asia	%	16.7	17.7	19.2	18.3	16.1	
		EMEA	%	17.4	17.4	17.4	18.3	19.3	
Number of employees		Total	Persons	243,723	239,753	235,554	241,484	230,492	Excludes equity-method subsidiaries, subsidiaries excluded from the scope of consolidation, affiliated companies, and related incorporated foundations
		Japan	Persons	18,139	18,026	17,961	17,873	17,628	
		North, Central, and South America	Persons	84,155	81,963	83,732	91,149	88,537	
		Asia	Persons	98,165	95,158	90,501	87,204	81,712	
		EMEA	Persons	43,264	44,606	43,360	45,258	42,615	
Average years of service	Total	Japan	Year	17.2	17.0	17.8	18.5	18.4	*1, 2 Excluding non-regular employees Fiscal year 2021 onward: target conditions were changed.
	Male		Year	17.5	17.4	18.2	18.8	18.8	
	Female		Year	15.8	15.2	16.3	17.2	17.1	
Average age	Total	Japan	Age	40.4	40.3	41.1	42.3	42.4	*1, 2 Excluding non-regular employees Fiscal year 2021 onward: target conditions were changed.
	Male		Age	41.1	41.0	41.8	42.8	42.9	
	Female		Age	37.7	37.2	38.3	40.8	40.7	
Number of employees covered by a collective bargaining agreement		Japan	Persons	6,578	6,578	6,606	6,364	6,203	Number of employees in the Yazaki Labor Union (Comprised of employees from Yazaki Meter Co., Ltd., Yazaki Parts Co., Ltd., and Yazaki Energy System Corporation)
Number of women in management positions		Japan	Persons	28	36	43	53	69	*1, 2
Percentage of management positions held by women		Japan	%	2.1	2.3	2.7	3.2	4.1	*1, 2
Percentage of female employees		Japan	%	22.0	22.3	22.9	22.9	26.7	*1, 2
Number of employees with disabilities		Japan	Persons	307	329	335	329	338	A total of Yazaki Corporation, Yazaki Meter Co., Ltd., Yazaki Parts Co., Ltd., Yazaki Energy System Corporation, and the special subsidiary Yazaki Business Support Co., Ltd., calculated on the basis of the Act on the Promotion of the Employment of Persons with Disabilities
Percentage of employees with disabilities		Japan	%	2.47	2.67	2.76	2.74	2.82	
Percentage of non-regular employees		Japan	%	8.0	7.2	8.0	8.7	10.3	*1 Non-regular employment: Part-time, casual, temporarily reemployed retirees, other temporary workers, and technical trainees
Number of employees by type of employment contract	Regular	Japan	Persons	—	—	—	—	10,926	*1
	Non-regular		Persons	—	—	—	—	1,257	*1
Number of workers other than employees		Temporary employees	Japan	Persons	—	—	—	2,379	*1
Percentage of top management positions at regional headquarters held by local employees		Global	%	—	—	—	—	50	
Number of people employed under post-retirement reemployment systems	Anchor System (Permanent employees)	Japan	Persons	419	443	490	588	612	*1
	Elder System (Associate employees)		Persons	150	153	133	136	135	*1
	Senior System Persons		Persons	—	16	37	60	83	*1 Reemployment system that enables retired employees to do the same work as regular employees
Average hours of overtime per month		Japan	Hours	13.9	9.7	12.8	11.9	12.7	*1
Paid leave usage rate		Japan	%	66.8	69.7	72.3	76.4	80.6	*1
Number of employees who took childcare leave	Total	Japan	Persons	98	90	113	147	173	*1
	Male		Persons	20	33	53	78	106	
	Female		Persons	78	57	60	69	67	
Childcare leave usage rate	Male	Japan	%	7.2	14.7	20.5	35.3	53.3	*1
	Female		%	98.6	100.0	100.0	100.0	100.0	

*1 Corporations covered: Yazaki Corporation; Yazaki Meter Co., Ltd.; Yazaki Parts Co., Ltd.; and Yazaki Energy System Corporation

*2 Figures as of end of each fiscal year (June 20)

		Organizations covered	Unit	FY2019	FY2020	FY2021	FY2022	FY2023	Remarks
Reinstatement rate after childcare leave	Male	Japan	%	100.0	100.0	100.0	100.0	100.0	*1
	Female		%	97.0	100.0	96.5	98.3	100.0	
Retention rate after childcare leave the previous fiscal year	Male	Japan	%	100.0	100.0	100.0	90.6	96.6	*1
	Female		%	98.4	100.0	96.5	96.7	100.0	
Number of employees who used short working hours during childcare		Japan	Persons	206	225	347	340	383	*1
Number of employees who took nursing care leave		Japan	Persons	109	94	121	124	180	*1
Number of employees who took continuous elderly care leave		Japan	Persons	2	5	6	5	4	*1
Number of employees who used short working hours during elderly care		Japan	Persons	3	6	7	4	4	*1
Number of employees that took elderly care leave		Japan	Persons	11	24	25	25	32	*1
Number of new graduate hires	Total	Japan	Persons	104	166	72	78	124	*1
	Male		Persons	80	122	62	64	97	
	Female		Persons	24	44	10	14	27	
Retention rate of new employees after three years		Japan	%	—	91.9	81.7	100.0	99.2	*1
Answer rate of the employee engagement survey		Japan	%	—	85.6	94.2	95.0	95.0	*1
Hours spent in training per employee		Japan	Hours	5.6	5.0	4.3	5.0	10.2	*1
Gender gap in base salary and total compensation			%	—	—	—	—	62.3	*1
Frequency rate of occupational accidents		Japan	—	0.41	0.36	0.45	0.29	0.37	• All factories in Japan • Frequency rate = (Number of people injured or who died due to occupational accidents / Total number of actual hours worked) x 1,000,000 • The number of people injured or who died due to occupational accidents refers to the number of people who lost their lives or were forced to take one or more days off work due to a bodily injury or loss of bodily function.
		North, Central, and South America	—	0.079	0.089	0.118	0.081	0.096	
		EMEA	—	0.045	0.041	0.021	0.010	0.015	
		Greater China	—	—	0.185	0.232	0.129	0.276	
		ASEAN	—	—	0.042	0.036	0.028	0.028	
		South America	—	—	0.000	0.011	0.039	0.009	
		India	—	—	0.000	0.010	0.000	0.007	
Severity rate of occupational accidents		Japan	—	0.0099	0.0066	0.0068	0.0084	0.0055	All factories in Japan
Number of sites with ISO 9001 certification		Japan	Sites	—	—	24	24	24	*2
		Overseas	Sites	—	—	24	24	19	*2
Number of sites with IATF 16949 certification		Japan	Sites	—	—	2	2	2	*2
		Overseas	Sites	—	—	134	134	133	*2

Governance and Compliance

	Organizations covered	Unit	FY2019	FY2020	FY2021	FY2022	FY2023	Remarks
Directors	Japan	Persons	—	—	7	9	8	Corporation covered: Yazaki Corporation
Number of outside directors	Japan	Persons	—	—	0	0	0	Corporation covered: Yazaki Corporation
Number of female directors	Japan	Persons	—	—	0	0	0	Corporation covered: Yazaki Corporation
Age groups of directors	Japan	Age	—	—	—	—	59.75	Corporation covered: Yazaki Corporation
Number of Board of Directors' meetings	Japan	Times	—	—	16	14	16	Corporation covered: Yazaki Corporation
Number of corporate auditors	Japan	Persons	—	—	3	3	3	Corporation covered: Yazaki Corporation
Number of whistleblower reports / consultations	Japan	Cases	39	46	43	64	69	
Compliance check sheet implementation rate	Japan	%	—	—	—	—	100.0	
Antimonopoly Act e-learning completion rate	Japan	%	—	—	—	—	100.0	
Number of customer privacy violations and data loss incidents	Global	Cases	—	—	0	0	0	

*1 Corporations covered: Yazaki Corporation; Yazaki Meter Co., Ltd.; Yazaki Parts Co., Ltd.; and Yazaki Energy System Corporation

*2 Figures as of end of each fiscal year (June 20)

Message from the Honorary Chairman

Sensing Each Other Through Personal Dialogue

Yasuhiko Yazaki

Honorary Chairman
Yazaki Corporation



I have always valued the opportunity to visit the workplace (gemba) and interact with employees there. However, following the COVID-19 pandemic, various forms of dialogue have emerged, and recently, I haven't been able to visit as much as I would like. Therefore, I decided to gather employees from diverse backgrounds to hear their thoughts once again.

One employee, after reading a business magazine article I had written, was inspired by my views on nurturing people from a broad perspective and decided to join Yazaki. A few years ago, due to her family's overseas transfer, she temporarily left the Company, but later rejoined using the job return system. She mentioned that leaving the company made her reflect on the significance of work and helped her rediscover the appeal of Yazaki.

Another employee took a leave of absence through our system to participate in a JICA youth overseas volunteer program and spent time in Mozambique, Africa. After his experience, he returned to Yazaki this year, and his activities were even featured on a Japanese television program. He mentioned that having a place to return allowed him to focus on his volunteer work with peace of mind. During his time in Mozambique, he confronted the challenges faced by the local community, which deepened his desire to contribute to solving these issues through his work.

One employee, along with her spouse, works for the Yazaki Group. Shortly after transferring to her current department, she faced a dilemma when her spouse was assigned to an overseas posting. She had to decide whether to accompany her spouse abroad or remain in Japan to continue her professional development. Ultimately, driven by a strong desire to further her career in the current department and gain a deeper understanding of Yazaki as a company, she decided to stay in Japan. This decision was made after discussions

with colleagues who had experience with overseas assignments and with guidance from her supervisor.

An employee who joined the Company five years ago currently supports legal and compliance matters for our domestic Group companies. This year, as a counselor for the Summer Camp in Japan, she accompanied the children of overseas employees. She was responsible for children who spoke languages different from her proficiency in English, and she faced challenges in communication due to the language barrier. She expressed the joy she felt when she was finally able to connect with them and, through various means, come to understand each other.

I am both delighted and inspired to see such diverse employees overcoming challenges and succeeding in various fields. It is also a great joy for me to know that the systems and initiatives provided by the Company are helping each individual enhance their work and life.

It had been a while since I last had the opportunity to speak directly with employees, and I shared many things about myself as well. There was laughter, empathy, surprise, and new insights. In today's world, the advancement of technology has made it incredibly convenient to connect with people from afar. However, at the same time, I sometimes feel that human connections have become more distant. Through interactions on a screen, we cannot directly feel the expressions or tone of someone's voice, which sometimes leaves a lack of warmth.

Face-to-face communication, on the other hand, has the power to convey emotions and deepen mutual understanding in ways that words alone cannot. This is something even long-married couples might understand. By directly sensing each other, trust and bonds are nurtured.

In this era of convenience, I want to be sure we don't forget the importance of direct communication.

Yazaki Corporation Sustainability Report 2024 Third-party Opinion

Mitsuo Ogawa President
Craig Consulting Co., Ltd.



In last year's third-party opinion, I proposed three points for improvement: the enhancement of details on human resources, reflecting the global company characteristics in KPIs, and activities that help people identify with Yazaki. This year's report confirms that Yazaki has done its homework in this regard. On the first point regarding human resources, page 19 describes an employee roundtable discussion. With the vice president serving as a facilitator, junior and global employees sit in a circle to discuss the value provided to society. I highly recommend reading this as an excellent program that reflects Yazaki's policy of valuing its human resources. In the second point regarding global KPIs, the ESG Data section at the end of the report (page 88) includes "Percentage of top management positions at regional headquarters held by local employees," which specifically addresses the proposal. On the third point of engaging in visible activities unique to Yazaki, on page 57 we can see that Yazaki has brought back the Yazaki Summer Camp Program which they had been running before the pandemic. This is the same activity as before, held overseas along with the children of overseas employees, and it reflects a unique side of the Yazaki Group in how it operates from a global perspective. Employees to run this activity were sought on a volunteer basis, but it was so popular that it ended up as a selection process. This is truly one of Yazaki's signature activities and I hope it will be featured as the cover story of next year's report. As I noted earlier, Yazaki's approach to diligently implementing initiatives to address each of the identified issues is a testament to its attitude and unique character, and is worthy of high praise.

Another feature that stands out in this year's report is the Sustainability Story, which starts from page 9. This section has been designed to break down Yazaki's Sustainability Policy, approaches and principles to communicate them to outside stakeholders in an easily digestible format. This goes beyond simply describing Yazaki's sustainability approach, providing specific explanations of the Monozukuri and Kotozukuri concepts mentioned in the

message from the president. Yazaki deserves recognition for not simply creating the Sustainability Policy, but for meeting its accountability obligations by explaining it in a way that can easily be understood by internal and external stakeholders alike.

Having said that, there are new issues I would like to point out.

The first point concerns the human resource-related KPIs I mentioned at the beginning. While Yazaki has shown a proactive commitment to measures that will create a comfortable work environment and to employee well-being, unfortunately this report was limited to domestic initiatives. As Yazaki professes to be a global company, I encourage them to gather and report on information at a commensurate global level. And this approach should not be limited to human resources; when setting new KPIs in the medium-term plans they develop down the road, Yazaki should continue to be more ambitious in embracing this global perspective.

The second point relates to how well sustainability approaches have taken root internally. Yazaki conducts various training programs with this in mind. However, training and events tend to be a one-way street in terms of how information is disseminated, and I would like to see Yazaki get a little more creative. For example, other companies have their employees read books on the SDGs and then write down and share their impressions, or take photos of everyday things related to the SDGs and post them throughout the workplace. Initiatives like this which involve employee participation and also involve spontaneity have proved successful. I hope that Yazaki will also conduct regular employee surveys to gauge how well sustainability has taken root and implement the PDCA cycle so that the insights gained can inform future actions.

Junichi Kitami

Managing Executive Officer
General Manager, Corporate Governance and Legal
Affairs Division
Yazaki Corporation

I would like to express my deep gratitude to Mr. Mitsuo Ogawa for again providing valuable feedback this year. Recognition that the newly established Sustainability Story together with the message from the president effectively communicates to stakeholders why Yazaki tackles sustainability and its vision and approaches to doing so serves as encouragement as we strive to further improve our messaging in the future. In this year's report we also addressed each of the themes identified as issues in last year's report, namely the enhancement of details on human resources, global KPIs, and activities that help people identify with Yazaki. We are truly delighted that the details of initiatives we undertook to address these points were also acknowledged.

However, new issues were also highlighted. As a global company, we aim to develop comfortable work environments both in Japan and abroad, and we will strive to further enhance global KPIs, including those relating to human resources. Additionally, regarding the degree to which sustainability has taken root within Yazaki, going forward we will endeavor to create a corporate culture in which employees can have greater agency over sustainability initiatives through activities involving employee participation and regular checks to gauge our progress, as part of efforts to ensure that sustainability is more firmly established at Yazaki.

By taking this valuable feedback to heart, continuing to pursue initiatives reflecting the unique qualities of the Yazaki Group, and putting into practice the principles of sustainability to a greater degree, we will make every effort to create social value and contribute to a sustainable future.

Yazaki Corporation

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