

## Resolving Social Issues through Our Business

- Mitigation of Global Warming
- Contribution to Circular Economy



### Contribution to Vision 2030 (Aspiration) : Clean/zero emissions

Action Policies	Action Targets and Activities	Targets for FY 2026	Results for FY2021
● Reducing CO2 emissions from production activities	● Reduce production-derived CO2 emissions Total emissions	-25% *1 (vs FY14 level)	-28% (vs FY14 level)
	● Adopt renewable energy sources Introduction rate	15%	6%
● Reducing CO2 emissions from production-related logistics	● Reduce logistics-derived CO2 emissions Emission volume per unit of production (non-consolidated)	-11% (vs FY14 level)	-8% (vs FY14 level)
● Reducing CO2 emissions through product and technology development	● Develop technologies that contribute to an even greater level of energy efficiency	-	-
● Effective resource utilization in production activities	● Reduce waste generation volume Emission volume per unit of production (non-consolidated)	-12% (vs FY14 level)	-22% (vs FY14 level)
	● Promote water conservation activities corresponding to the water situations in each country and region	-	-
● Implementing initiatives to promote 3R (reduce, reuse and recycle) design for effective resource utilization	● Reduce use of resources and promote reuse and recycling of resources	-	-

\*1 As a more ambitious target, we are aiming for a 50% reduction by fiscal 2031 from the fiscal 2014 level.

- Creation of Innovative Values



### Contribution to Vision 2030 (Aspiration) : Creation of innovative value, smart

Action Policies	Action Targets and Activities	Targets for FY 2031	Results for FY2021	Targets for FY2022
● Promoting development of new technologies that create new values	● Ratio of R&D expenses for electrification and automation	Over 70%	57.6%	Over 60%
	● Expand peripheral fields and new business fields Net sales	Over ¥1trillion	-	-
● Improving core technologies and utilizing the new knowledge of business partners to enter into peripheral fields of existing businesses while developing and offering technologies and products in new business fields	-Develop new technologies and products that contribute to resolving environmental and social issues	Twofold (100%) (vs FY2021)	-	Up 10% (vs FY2021)
	-Develop new technologies and products for logistics automation and expand sales (Materials Handling Equipment) Sales of automation products (growth rate)			

- Products and Services Which Contribute to Safety, Reliability and Comfort
- Mutual Prosperity through Partnerships with Local Communities



**Contribution to Vision 2030 (Aspiration) : Safe/reliable, comfortable**

Action Policies	Action Targets and Activities	Targets for FY 2031	Results for FY2021	Targets for FY2022
<ul style="list-style-type: none"> <li>● Enhancing electrification-related products and services that are highly functional, ecologically sound and adaptable as social infrastructure</li> <li>● Offering high-quality and safe products and services and maintaining and improving the structure to realize this goal</li> <li>● Continuously promoting grassroots activities in local communities and thrive together as a member of Society</li> </ul>	<ul style="list-style-type: none"> <li>● Expand sales of electrification-related products (all businesses) Ratio of electrification-related products to net sales</li> </ul>	Over 70%	43%	45%
	<ul style="list-style-type: none"> <li>- Offer highly efficient and energy-saving electric compressors that are excellent in terms of quiet operation and comfort (Automobile Business)</li> <li>- Offer clean and high-quality fuel cell units and on-board batteries (Automobile and Materials Handling Equipment businesses)</li> <li>- Offer power source-related products, on-board or otherwise, that can also be used as social infrastructure during disasters and other occasions (Automobile Business)</li> </ul>			
	<ul style="list-style-type: none"> <li>● Conduct product risk assessment (target products) Implementation rate (non-consolidated)</li> </ul>	100%	100%	100%
	<ul style="list-style-type: none"> <li>● Promote quality education Training participation rate (non-consolidated)</li> </ul>	100%	100%	100%
	<ul style="list-style-type: none"> <li>● Promote social contribution activities Expenditure/number of participants - Contribute to biodiversity conservation of local communities - Promote other community contribution activities</li> </ul>	-	¥840 million/ 18,224 persons	-

## Foundation Supporting Our Business Operations

- Safe and Healthy Work Environments
- Leveraging Diversity and Inclusion
- Sustainable Procurement
- Compliance and Risk Management

Action Policies	Action Targets and Activities	Targets for FY 2031	Results for FY2021	Targets for FY2022
<ul style="list-style-type: none"> <li>● Fostering safe and healthy workplaces for everyone</li> <li>● Creating the environment for everyone to get a fair share of opportunity to develop and demonstrate their potential</li> <li>● Establishing the foundation to remain a company that is trusted and needed by society</li> </ul>	<ul style="list-style-type: none"> <li>● Eliminate serious accidents - Number of serious accidents - Frequency rate of lost workday injuries (non-consolidated)</li> </ul>	0 0.00	2 0.09	0 0.00
	<ul style="list-style-type: none"> <li>● Utilize diverse human resources - Ratio of female managers (non-consolidated) - Ratio of employees with disabilities (non-consolidated)</li> </ul>	3.6% Over 2.3%	1.6% 2.4%	- Over 2.3%
	<ul style="list-style-type: none"> <li>● Maintain sound transactions and strengthen structure throughout the supply chain - Implementation rate of CSR checks on target suppliers (non-consolidated)</li> </ul>	100%	100% (955 companies)	100% (950 companies)
	<ul style="list-style-type: none"> <li>● Eliminate serious compliance violations Number of violations</li> </ul>	0	0	0
	<ul style="list-style-type: none"> <li>● Promote risk management activities taking a risk-based approach - Improve BCP effectiveness - Respond to cybersecurity risks Number of serious incidents</li> </ul>	0	0	0