

YAZAKI EMEA

SUSTAINABILITY

REPORT 2023





"We recognize our responsibility to create positive, lasting impacts across the value chain and society. Yazaki EMEA has initiated a transformation program to fortify corporate culture for sustainable growth."

Hans Lemmens
CEO, Y-EMEA



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01. INTRODUCTION

Yazaki Europe Middle East Africa region (referred to throughout this document as "Y-EMEA") publishes its second Annual Sustainability Report, underscoring its commitment to sustainability.

The Report, prepared in alignment with the Global Reporting Initiative (GRI) Standards, delves into the key highlights of our environmental, social, and governance performance across the year. It explores our ongoing initiatives aligned with Y-EMEA aspirations, emphasizing our contributions to the UN Sustainable Development Goals (UN SDGs).

Additionally, it includes the preliminary results of a materiality assessment conducted, signifying a foundational step in our preparedness for compliance with the EU Corporate Sustainability Reporting Directive once it becomes applicable to our business in the coming years.

All figures presented in this report refer to business year period, unless explicitly mentioned otherwise. The data contained herein pertains mainly to our Business Year 2022 (P82), spanning from July 1, 2022 to June 30, 2023. To provide a contextualized view of the evolution of Y-EMEA's performance, certain information is compared against the previous business years including the baseline year 2017 (P77).

For supplementary details regarding our company's practices and policies, please refer to Y-EMEA's official website.



For further information see <https://www.yazaki-europe.com/about-us/sustainability>

As part of our ongoing commitment to excellence, Y-EMEA actively seeks continuous improvement in our Sustainability Report. We invite valuable feedback from our esteemed readers and stakeholders, and you may reach us at sustainability@yazaki-europe.com for further engagement.

ENVIRONMENT SOCIAL GOVERNANCE

02. MESSAGE OF THE CEO

Dear valued Stakeholders,

I am pleased to present Yazaki EMEA region's second Sustainability Report, highlighting our dedicated efforts to enhance environmental, social, and governance (ESG) performance over the past business year.

In the ever-evolving global landscape, **sustainability is essential** for fostering competitiveness and driving innovation, particularly amidst rising environmental, socio-economic, and geopolitical risks.

As a global player, we recognize our responsibility to create positive, lasting impacts across the value chain and society. In response to these transformative times, Y-EMEA has initiated an organizational culture transformation program to fortify our **corporate culture for sustainable growth**.

Over the past year, we identified key improvement areas, collaborating with customers and business partners to progress towards shared goals. Aligned with our three-pillar strategy **Business Excellence, Product Diversification, and Human Development**, we have been actively measuring and monitoring our ESG impacts to meet increasing market and regulatory requirements proactively.

Our commitment to achieving **carbon neutrality by 2039** guides our investments in green energy transition and product redesign to maximize circularity across our portfolio's life cycle.

While navigating the energy transition, our focus remains on People and Communities – upholding **diversity, equity, and inclusion principles**. Y-EMEA is also reinforcing compliance with human rights principles while promoting sustainable management practices throughout our supply chain, supporting local communities, and enabling our people development.

Tackling global sustainability challenges requires unified efforts from a broad spectrum of stakeholders. **We will continue to collaboratively seek effective solutions for a sustainable future.**

In conclusion, I would like to express my confidence that Y-EMEA will thrive sustainably in the coming years, embodying our purpose of **'Sustainable Growth Together'**.

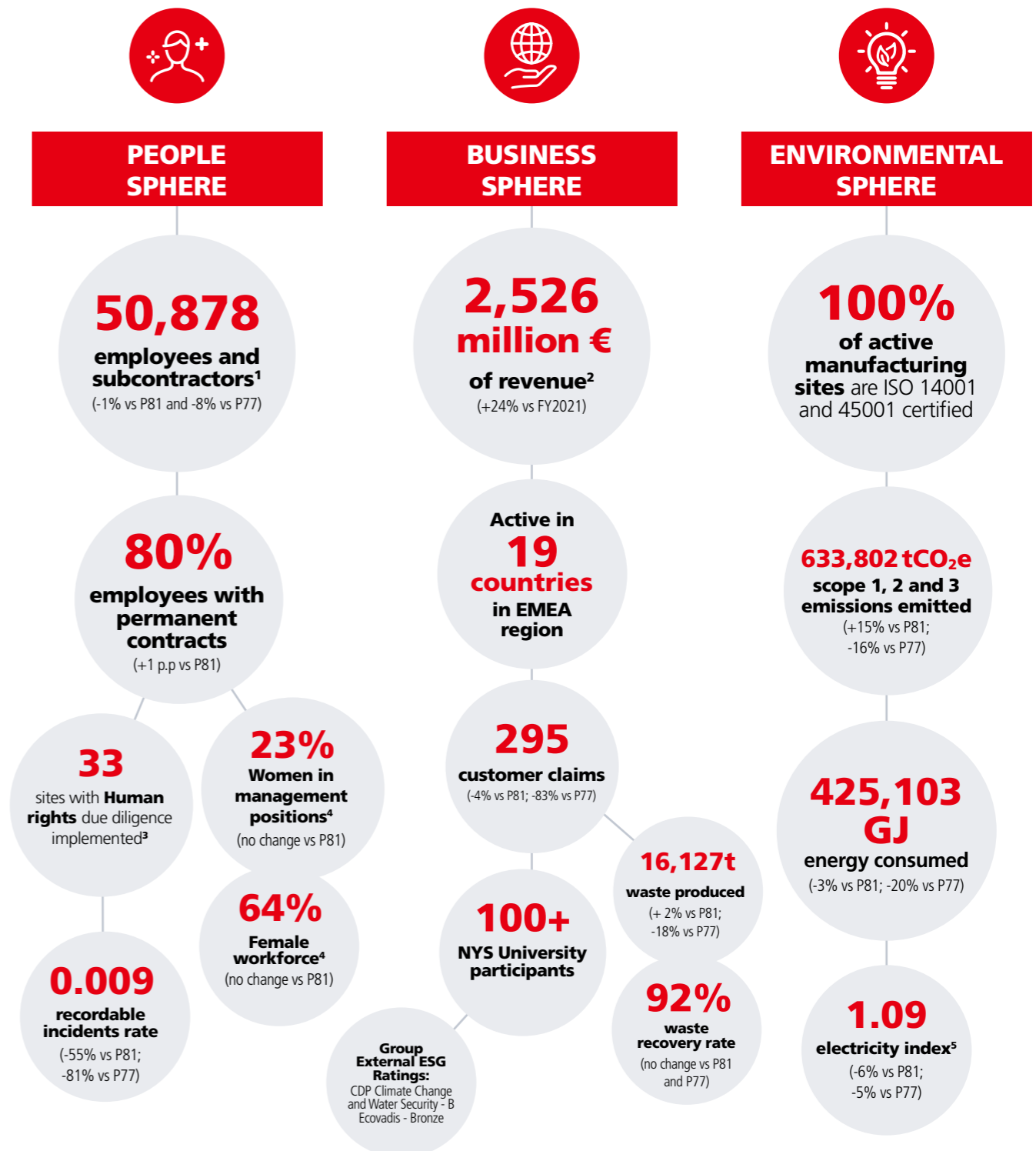
Your support is invaluable on this journey.
Thank you.



Hans Lemmens
CEO, Y-EMEA



03. BUSINESS YEAR 2022 PROGRESS



¹ Figure includes employees with permanent and temporary contracts as well as subcontractors at the end of P82 (Business Year 2022). P77 (Business Year 2017) includes employees only. ² The revenue figure refers only to YEL Group and covers the period from April 2022 to March 2023. Information about entities under the scope of this indicator is available in the annex Methodological Notes. ³ The variance in this indicator compared to the Business Year 2021 (P81) result is due to the deliberate exclusion of Russian sites from the reporting scope in response to the sanctions imposed by the EU against Russia following Russia's war of aggression against Ukraine. ⁴ Figures include employees only. ⁵ Electricity index is calculated based on electricity consumed and working hours.

04. OUR COMPANY

WHO WE ARE

With over 241,000 employees worldwide in 46 countries and regions, Yazaki is one of the world's largest privately owned automotive suppliers. Founded in Japan in 1941, Yazaki is a family business that became a global leader in the research, development and delivery of vehicle power and data solutions for automotive applications. Yazaki Group's business activities encompass four pillars: Automotive Supplier, Energy Systems, Meters, and Care. In Y-EMEA, we currently operate in the Automotive sector under Yazaki Corporation. Yazaki produces wire harnesses, power distribution & control products, connectors, driver information systems, sensors and hybrid & electric vehicle products.

Every day we put our resources to work for one specific purpose: to help our customers achieve success. Defined by an unyielding commitment to the success of our customers, Yazaki has become a valued supplier to virtually every major automotive manufacturer in the world.

Our customer-centric focus guides the global manufacturing footprint, allowing us to deliver the right products in the right quantities at the right time – anywhere in the world.

Focusing on the automotive business and with approximately 50,000 employees in 19 countries, Y-EMEA is Yazaki Group's most diverse region. Following the worldwide integrated business system of Yazaki, we think global and act local according to the demands and requirements of our customers, by providing the best quality and service.

Our European operations started in 1980 with a sales office in UK, followed by a W/H Manufacturing plant in Portugal in 1987 and the first R&D center in Cologne, Germany in 1989. In Europe, Middle East & Africa we currently have 21⁶ standardized manufacturing plants, 5 R&D centers and customer service centers.

Material topic: Corporate culture⁷

OUR MISSION AND VISION

MISSION

We bring millions of vehicles to life every day through excellence in all we do. One for all, all for one.

VISION

We are the leader in Electrical and Electronics Distribution Systems.

Corporate culture plays a pivotal role in determining the success of any organization. It encompasses beliefs, values, and attitudes, which significantly influences employee behavior.



"We live in turbulent and rapidly changing times. With the world, also our businesses change. It is of utmost importance that our employees huddle together as teams to encounter these challenges with an open mindset and with the drive that has made us strong throughout our history.

While our environment is rapidly changing, we want to engage in a direct dialogue with our employees – asking them how we can improve and then working together to make us a better company, stronger than competition."



Johannes Kim
Head of Human Resources



In a world where the automotive market continues to be very challenging, our commitment to sustainability is unwavering.

We embrace the challenge of creating a greener future for the automotive industry.

We recognize that the path to a sustainable future in our business is not without its challenges. However, we are motivated by the opportunity to make a positive impact and drive meaningful change. **I am proud of the progress we have made towards our sustainability goals.**

Our dedication and hard work have already yielded significant results, but there is still much more to be done. **Let us remain focused and inspired as we strive for a more sustainable future in Y-EMEA.**

Together, we can overcome the obstacles that stand in our way and work towards a greener tomorrow.

Let us embrace the challenges ahead and continue to push the boundaries of sustainable innovation.

Jorge Monteiro,
Head of Sustainability & EHS



Yazaki EMEA has started an organizational culture transformation program with a proactive approach to fortify its corporate culture for sustainable growth. The initiative commenced with executive workshops to outline a theoretical target culture, followed by pilot workshops for cultural transformation involving leaders from various departments. The participants focused on creating a common understanding of the Y-EMEA values, since they are a basis for the regional organization's purpose – "sustainable growth together". The team worked out how to best apply these values in everyone's daily business and how they can contribute to the Yazaki corporate purpose of being "a corporation in step with the world" and

"a corporation needed by society". To ensure employee engagement, in P83 next business year, a Y-EMEA wide survey will be conducted to gather employee feedback on leadership, vision, people development, safety, and well-being. The focus remains on addressing identified improvement areas, reinforcing the leadership's commitment to active engagement and transparency. Results will be analyzed by location and function, involving leadership to collaboratively determine the way forward. This strategic initiative aligns with the Human Development pillar, steering Y-EMEA towards becoming a more future-ready organization.

⁶ 21 plants operating and Yazaki Egypt under construction at the time of closing this report.

⁷ Throughout the document, the material topics are prominently highlighted within the sections addressing our related policies, approach, and performance.

OUR SPIRIT AND VALUES



FORESIGHT

The ability to see beyond immediate concerns.

- Approaching problems in an open and creative way
- Being proactive and open to change
- Thinking big
- Fueling new approaches with motivation and a sustainable vision

**CURIOSITY
AMBITION**



SERVICE MIND

The desire to serve the best interests of our partners.

- Respecting others and valuing diversity as a key ingredient of team strength
- The energy to go the extra mile with professionalism and engagement
- Being driven by purpose and engagement

**TEAMPLAYER
PASSION**



FORTITUDE

The will to see matters through to the end.

- Taking risks and tough decisions, knowing that in every failure lies a powerful lesson
- Finding opportunities in difficulties
- Rebounding from setbacks and adversity by adapting and exploring new ideas
- Never giving up

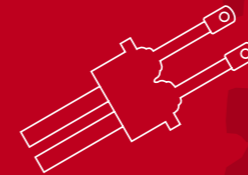
**COURAGE
RESILIENCE**



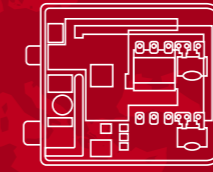
ONE FOR ALL, ALL FOR ONE.

OUR PRODUCT PORTFOLIO

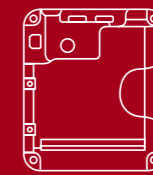
In close cooperation with our customers, we develop products and systems that optimize vehicle functionality, reliability and quality.



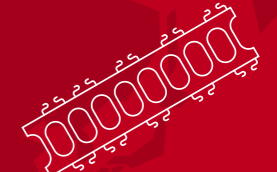
**Electrical
Distribution Systems**



Components



**Electronics &
Instrumentation**



High Voltage

EXTERNAL RECOGNITIONS

Y-EMEA won McLaren's Supplier Excellence Award 2023

Our company received the prestigious "Supplier Excellence Award 2023" for outstanding quality achievements at McLaren's Supply Partner Summit.



BMW honored Yazaki Ukraine's extraordinary commitment

Yazaki received an award in the category "Exceptional Team Performance" at BMW Group's Supplier Innovation Award 2022. BMW honored Yazaki and in particular the employees in Uzhgorod, Ukraine (YUL) for the extraordinary efforts and commitments under the difficult conditions in the country. Since the outbreak of the war, the Yazaki team was taking the right measures to secure a continued supply to BMW and delivered without a single disruption out of Ukraine.



Y-EMEA won first dedicated Sustainability Prize in Türkiye

Ford Otosan honored our Kuzuluk plant in Türkiye (YOT-K) with an "Achievement Award" for sustainability. The assessment is based on economic strength, environmental resilience, quality of life, safety, and ethics.

Toyota honored Y-EMEA's Safety and Value Analysis achievement

At its "Awards Handover Ceremony", Toyota Motor Europe (TME) honored its most outstanding suppliers in seven categories. Y-EMEA took the stage in Brussels twice: both the "Value Analysis" of the company and the "Safety" performance in Türkiye at YOT received an "Achievement Award" from Toyota.

Yazaki Romania awarded on national and county level

Yazaki Romania (YRL) was once again recognized as one of the best performing companies in its field. At county level, the Prahova Chamber of Commerce honored YRL as the "Number 1 Manufacturer of Electric & Electronical Components for Automotive in 2022" as well as with distinctions for Corporate Social Responsibility (CSR). It was recognized as "Top Investor" and "Top Exporter" (as per the results of 2021), too. At national level, the leading Romanian online company directory "ListaFirme.ro" placed Yazaki on several podiums, namely:

- > **1st place – Top Profit Romania 2022:**
Classification for Romania, Prahova County, auto vehicles manufacturing domain
- > **1st place – Top Profit Romania 2022:**
Classification for Romania, Ploiesti
- > **1st place – Top Business Romania 2022:**
Classification for Romania, Prahova County, autovehicles manufacturing domain
- > **2nd place – Top Business in Romania:**
Top for Large Enterprises

Yazaki Morocco ranked among Top 3 Automotive Employers

ReKrate is Africa's leading job and recruitment platform. Each year, the company ranks the "Top 25 Employers" in Morocco regarding attractiveness and branding. Yazaki made it to the podium in the 2022 listing: It achieved third place in the automotive sector and ranks on position 12 among all corporations in the country. This recognition is already the second one that Yazaki Morocco received from ReKrate – in June 2022, it was awarded the Feel-Good trophy for having the best and most suitable work culture for employees.

Sustainability external raters

Our sustainability performance undergoes evaluation by external sustainability rating agencies. Annually, both Yazaki Corporation and Y-EMEA conduct and submit specialized sustainability assessment questionnaires.

- **Ecovadis**
Yazaki Corporation submits the questionnaire annually: Bronze medal
- **CDP**
Yazaki Corporation submits annually the Climate Change and Water Security questionnaires: Management (B) score in both



05. GOVERNANCE

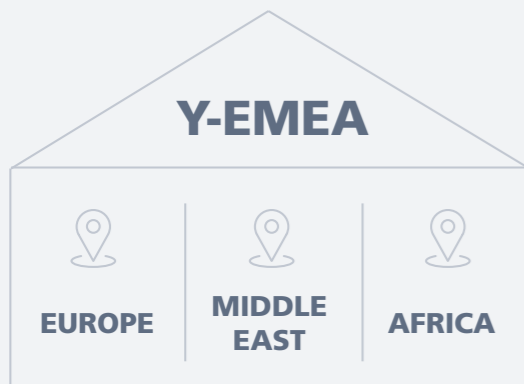
Yazaki Group has been governed by the Yazaki family since its inception. Presently the Group is under the leadership of the second and third generations of the family.

Yazaki has announced the establishment of its new holding company, Yazaki Europe Middle East Africa N.V. (Y-EMEA), which replaces Yazaki Europe Ltd. as the new Regional Headquarters. The transition has initiated a significant change in the legal structure for the region, reflecting the company's expanded presence in Western and Eastern Europe, the Middle East (Türkiye), and North Africa (Morocco, Tunisia, Egypt), also emphasizing our cultural diversity. Up until this point, Y-EMEA has been used to reference our operational footprint in the EMEA region.

The ongoing implementation of the Yazaki Transformation Strategy will facilitate a simplification of the legal structure that is harmonized with the management structure, improvements of the value chain and, thereby, achieve synergies and increased operational and economic efficiency.

YAZAKI EMEA: ONE HOME FOR ALL OF US

- > reflects our expanded footprint and cultural diversity
- > makes our company fit for the future

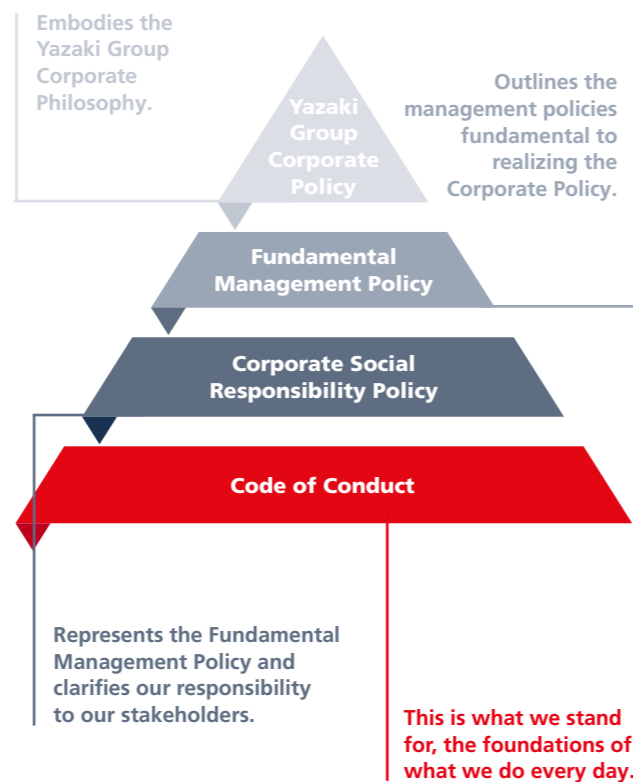


SENIOR LEADERSHIP TEAM

The Y-EMEA region is governed by a Senior Leadership Team⁸ composed by a Chairman and four executives.

Our Senior Leadership Team is guided by the Yazaki Corporation Corporate Policy – a company in step with the world, a company needed by society – as well as the Fundamental Management Policy which are the building blocks of Yazaki globally.

Corporate Philosophy



To support effective management, Y-EMEA has several active committees serving as privileged arenas for the discussion and evaluation of cross-cutting topics, approving and providing support for informed decision-making on the current activities. At both the global and EMEA levels, various committees are established to address a range of matters.



More information about our Senior Leadership Team in [our corporate website](#).



MUNENORI YAMADA
CHAIRMAN, Y-EMEA



HANS LEMMENS
CEO, Y-EMEA



ERGÜN TAN
CFO, Y-EMEA



ANDREAS DI VECE
DIVISIONAL PRESIDENT EDS DIVISION,
Y-EMEA



JEROEN DEEN
DIVISIONAL PRESIDENT ECS DIVISION,
Y-EMEA

⁸ The Senior Leadership Team listed on this page reflects changes implemented post-reporting period, effective from April 2, 2024. Detailed descriptions of these changes are provided in Annex A – GRI Index.

These committees encompass, among others:

Y-EMEA ICC

INTERNAL CONTROL COMMITTEE

The Y-EMEA ICC is operated by a strong cross-functional approach with the objective to monitor the efficiency and effectiveness of the incorporated Internal Control System (ICS) in Y-EMEA.

The Y-EMEA ICC has the purpose to reasonably guarantee four objectives:

- effectiveness and efficiency of operations,
- reliability of financial reporting,
- compliance with laws and regulations concerning business activities,
- safeguarding assets, including the achievement level and issues to be solved.

In case of identified deficiencies to the ICS the Y-EMEA ICC shall review and align on countermeasures to strengthen and continuously improve the ICS by adequately managing related risks to the organization.

Yazaki operates a holistic and integrated approach for corporate governance, risk management and internal controls system. All such activities are governed within the established Y-EMEA Internal Control Committee, while daily management and orchestration is with the Corporate Governance Function.

On annual basis global meetings take place to communicate strategic direction and share best practices.

Y-EMEA ECC

ETHICS AND COMPLIANCE COMMITTEE

The ECC has been established by the Board of Directors to assist with the fulfillment of its obligation to ensure compliance of all entities within the Y-EMEA region in accordance with applicable legal requirements and high ethical standards. The purpose of the ECC is to integrate key stakeholders from Y-EMEA Core Functions and to support the Y-EMEA Corporate Compliance Department with the design, implementation, and continuous improvement of an effective Compliance Management System and Corporate Compliance Program respectively.

The ECC shall further provide periodic reports to the Y-EMEA ICC on material violations and recommendations on improvements of the corporate compliance program in relation to risks that may have a material effect on Yazaki's financial statements.

Y-EMEA SSC

SUSTAINABILITY STEERING COMMITTEE

The SSC is a deliberative body of the Y-EMEA's Senior Leadership Team (SLT), responsible for the assessment, decision, debate, and monitoring of the implementation of Y-EMEA's Sustainability Strategy and Ambitions.

Permanent members of the SSC are members of SLT, representatives of Sustainability, Legal & Compliance and Corporate Governance departments as well as representatives of the Central Functions with topics in agenda.

ETHICS AND CONDUCT

Material topic: Corporate Culture; Corruption and Bribery; Protection of Whistleblowers; Information-related impacts on consumers

The Yazaki Group upholds a range of policies designed to maintain high standards, and these policies are publicly accessible on our website, ensuring accessibility to all stakeholders.

- > [Yazaki Corporate Policy and Fundamental Management Policy](#)
- > [Yazaki Group's Corporate Social Responsibility Policy](#)
- > [Yazaki Group's Human Rights Policy](#)
- > [Yazaki Global Responsible Mineral Policy](#)
- > [Yazaki Group's Supplier CSR Guidelines](#)
- > [Privacy policy](#)
- > [Y-EMEA's Business Partner Code of Conduct](#)
- > [Y-EMEA's Environment, Health and Safety Policy](#)



Y-EMEA Code of Conduct

FORTITUDE
The will to see matters through to the end

SERVICE MIND
The desire to serve the best interests of our partners

FORESIGHT
The ability to see beyond immediate concerns

The [Y-EMEA Code of Conduct](#) sets out the expected ethical behavior and conduct when doing business. The Code of Conduct requires not only that companies in the region comply with national laws and regulations, but also requires that all employees act ethically, are aware of and comply with applicable laws and regulations as their personal responsibilities

and to fulfill their social responsibilities. The Code of Conduct thereby encourages all employees to deal more ethically and honestly with their business partners and aims to strengthen the relationship of trust with all stakeholders, such as local communities and authorities. The Code of Conduct is accessible to all stakeholders on the internal and external website, and it is structured in three separate chapters focusing on our (i.e. Yazaki's) responsibilities:

- 1 in the workplace,**
- 2 as a business partner and**
- 3 as a member of society.**

Information security

Protecting the confidentiality, integrity, and availability of sensitive information is not only a legal obligation but also a crucial aspect of maintaining customer trust.

Y-EMEA operates an Information Security Management System (ISMS) to safeguard the confidentiality, integrity, and availability of information. The primary goal is to prevent and minimize the impact of security incidents, ensuring the protection of information assets from all types of threats and risks, whether they are internal, external, deliberate, or accidental.

This commitment aims to maintain business continuity and reduce disruptions caused by potential data security breaches. Y-EMEA consequently proceeds with Trusted Information Security Assessment Exchange (TISAX) certifications and aims at obtaining a Y-EMEA group certification during the next calendar year.

Complementing this commitment is the enforcement of our regional data protection policies aimed at ensuring that information is handled with the utmost care and in compliance with privacy regulations.

Prevention and detection of corruption and bribery

Y-EMEA has implemented a revised regional Code of Conduct as well as dedicated Anti-Bribery Policies on gifts, invitations, and other benefits as well as on conflicts of interests.

Political contributions, whether financial or in kind, fall outside the purview of the current Anti-Bribery Policy on gifts, invitations, and other benefits. According to this policy, donations and sponsorships are permissible exclusively for charitable purposes, and cash donations are strictly prohibited. It is noteworthy that the Anti-Bribery Policies are presently under review, with a specific Policy on Donations and Sponsoring currently in development.

Whistleblowing

Under the regional Whistleblowing Policy, all employees (current and former) can report concerns on potential violations of legal requirements and Yazaki internal rules, both personalized and anonymously. To facilitate anonymous reports, Y-EMEA has set up an external "Whistleblowing Hotline" Y-EMEA Integrity Hotline – which is accessible via its external website and internal intranet site. To the extent required by national law, the channels for receiving reports and the personnel/processes to review and follow-up on reports are localized.

The Y-EMEA Integrity Hotline and/or nationally defined reporting channels enable employees and business partners to submit reports on alleged violations of legal requirements and Yazaki rules. This includes, but is not limited to, fraud, abuse, environmental issues or (Supplier-) Code of Conduct violations, either anonymously or by name. Through this hotline, Y-EMEA has further strengthened its processes and policies to identify, investigate and correct any potential violations in relation to its business conduct. The hotline is a confidential, 24-hours-a-day, 365-days-per-year service that can be accessed from any location.

Y-EMEA follows a "zero tolerance" approach in relation to confirmed violations and applies its own Guidelines on Consequences. The application of these guidelines shall ensure that all confirmed violations are subject to adequate consequences, based on objective criteria and related case-by-case decisions.

The Whistleblowing Hotline is one element of the Y-EMEA Whistleblowing System (i.e. the entirety of measures to enable submission, receipt, review, and

investigation or reports on violations, both legal requirements and Yazaki rules), as required under the Regional Compliance Policy.

The further elements are:

- 1 the process** for receiving and investigating reports on violations,
- 2 the Whistleblowing Policy** (informing employees on their rights and obligations in internal investigations on violations and the possible ways to submit a concern),
- 3 the ECC and its competences** in internal investigations and
- 4 the Y-EMEA Guidelines** on Consequences of Violations (implementing the "zero tolerance" principle while ensuring both a case-by-case decision and comparability of consequences for comparable violations).

In P82 a cross-functional project was initiated to further strengthen and improve the Y-EMEA Whistleblowing System, starting with a prioritized analysis of legal requirements (whistleblower protection, data protection, labor laws). Based on the results of a respective legal survey, the existing policies and processes are being reviewed and adapted, including but not limited to requirements on the protection of whistleblowers, the available reporting channels and the process for handling reports and internal investigations.



"In line with the constantly evolving expectations of customers, regulators, and the society as a whole, we regularly revisit and deepen our compliance efforts.

The focus areas for Y-EMEA Corporate Compliance for P83 therefore include the continuous improvement of our Whistleblowing System and Anti-Corruption Policy framework."



Dirk Schaefer
Head of Compliance

Anti-Bribery compliance training and communication

Y-EMEA requires all its officers and employees to fully comply with all applicable Anti-Bribery laws. It is critical that all Y-EMEA employees understand that, besides exposure to large fines and corporate criminal charges, violations of Anti-Bribery laws may give rise to damage claims from business partners, as well as mandatory or discretionary exclusion of Y-EMEA from tender procedures and result in serious reputational damage. Consequently, **Y-EMEA has a zero tolerance policy for violations of Anti-Bribery laws by its employees.**

To assist all Y-EMEA officers and employees in complying, without exception, with applicable Anti-Bribery laws, Y-EMEA has set up a robust Anti-Bribery compliance training and communication framework. In line with the regional policy management approach (regional Procedure for the Creation and Control of Documents), the regional Code of Conduct and the regional Anti-Bribery Policies are uploaded in the regional EQMS database and, in this way, communicated to all white-collar employees in all countries and locations. In addition, based on related resolutions by the Board of Directors of all regional entities, the Code of Conduct and the Anti-Bribery Policies are made binding for all locations and employees across the region.

In recognition that not all employees or functions are exposed to the same level of inherent compliance risks related to Anti-Bribery laws, Y-EMEA follows a risk-based approach to assign Anti-Bribery compliance training and communication to relevant functions and operations, according to their risk exposure level to violations of Anti-Bribery laws.

For example, all employees in Bribery-risk Categories B and C are obliged to complete online basic training on Anti-Bribery compliance within 90 days of becoming Y-EMEA employees. The online basic training should be repeated every two to three years (mandatory participation).

Thus far, eLearning programs on Global Anti-Bribery are operated in cooperation with the Central HR Department through the regional Learning

Management System. Moving forward, in line with the regional Anti-Bribery Training and Concept, dedicated trainings for members of the regional executive management, as well as risk-based in-depth Anti-Bribery Trainings will be rolled out following completion of the ongoing revision of the regional Anti-Bribery Policies.

Process to report outcomes to the administrative, management and supervisory bodies

In line with the Regional Compliance Policy and the Rules of Procedure of the regional Ethics & Compliance Committee (ECC), the Regional Compliance Officer reports bi-annually on the regional internal investigations activities, including related KPIs as well as information on proven violations and related consequences as well as identified needs to improve existing policies, procedures and/or internal controls. In relation to individual violations, members of the ECC and the regional Chairman and CEO are informed of confirmed material violations.

There were no confirmed incidents of corruption or bribery during the business year (P82). To the best of our knowledge, Y-EMEA entities have not been involved in any ongoing, initiated, or completed public legal cases related to corruption or bribery in the reporting period. Additionally, there have been no fines, internal disciplinary actions within our company, or actions taken against business partners in connection with such matters.

STAKEHOLDER ENGAGEMENT

Y-EMEA fosters an open and transparent dialogue with key stakeholders maintaining an ongoing communication with stakeholders through direct and constructive dialogue. This approach helps us understand their expectations, identify priorities, and build a relationship of trust.


A good relationship with our stakeholders is essential in supporting the implementation of our strategy. We have several active relationship channels in place to ensure a continuous and effective dialogue with the various groups of stakeholders.

As a multinational and global business, we interact with different stakeholder groups:



Main Channels of Communication

- > Board of Directors meetings
- > Meetings with the Shareholder
- > Regular meetings – ongoing
- > Surveys – as per need
- > Weekly Update – weekly
- > All Employees Meetings, Leadership Meetings, Strategy Meetings – every 6 months
- > Local All Employees Meetings – monthly
- > Intranet, Local intranets, local newsletters – ongoing
- > MyYazaki Employee App – ongoing
- > Workers Council Meetings – scheduled
- > Global Functional Meetings – yearly
- > Business & Breakfast meeting series – 2 times per year
- > Skip Level Talks for employees with Leaders – weekly
- > Exhibitions & Events – yearly
- > Internet – ongoing
- > Social Media – ongoing
- > Printed Publications – 2/3 times per year

 More information about our holistic approach on stakeholder engagement outlined in the [Section 172 Statement available at our corporate website.](#)

MEMBERSHIPS

Material topic: Political Engagement and Lobbying Activities

Aligned with our vision and steadfast commitment outlined in our Corporate Policy, Y-EMEA adopts a

proactive stance by maintaining continuous alignment and communication with our customers and suppliers. Furthermore, the company actively participates in working groups within Automotive Supplier Associations, exemplifying a commitment to industry collaboration. As a responsible corporate citizen, Y-EMEA operates in accordance with its core values, embodying the best traditions of ethical business practices. Acknowledging the limitations of our individual efforts in addressing the societal and industry challenges, as a global player we remain resolute in our commitment not only to drive change within our operations but also to contribute to advancements in industry development, including the creation of conditions necessary for transitioning to a low carbon economy.

Y-EMEA actively engages in various industry associations, fostering collaborations with industry peers through general lobbying activities that align with the automotive sector's interests. The Compliance function offers dedicated support to these activities, emphasizing strict adherence to competition law. Outlined below is an overview of the key memberships and associations in which we actively participate.

<p>ARENA2036 – "Active Research Environment for the Next generation of Automobiles" https://arena2036.de/en/</p>	
<p>Automotive Cluster Bulgaria (ACB) http://automotive.bg/</p>	
<p>CharIN e.V., Charging Interface Initiative https://www.charin.global/</p>	
<p>CLEPA, the European Association of Automotive Suppliers https://clepa.eu/</p>	
<p>FIEV – French Federation of Vehicle Equipment Industries https://www.fiev.fr/en/</p>	
<p>Mobinov – Cluster Automóvel Portugal https://mobinov.pt/</p>	
<p>VDA – German Association of the Automotive Industry https://www.vda.de/en/association</p>	

06. STRATEGY

CORPORATE STRATEGY

Y-EMEA's strategy revolves around three key pillars: Business Excellence, Product Diversification and Human Development, and establishes a clear direction for the next five to ten years. It has been designed to positioning Y-EMEA to be fit for the future and propelling our vision and mission towards sustainable growth in alignment with our overarching "Ambition 2030." Our strategic vision is articulated in the Y-EMEA President's Policy, serving as a roadmap for the business year.

P82 Y-EMEA President's Policy

Guided by Yazaki's claim "One for all, all for one" and characterized by fortitude, foresight, and a service-oriented mindset, the P82 Y-EMEA President's Policy underscores the implementation of the New Yazaki System (NYS) Philosophy across the organization. This involves fostering collaboration, enhancing leadership, promoting personnel development, ensuring employee safety, and seizing crisis situations as opportunities to fortify Yazaki EMEA's position for the future.

1 Re-establish the Yazaki way by implementing the **NYS Philosophy** throughout the entire organization

2 Achieve Y-EMEA's diversification strategy goals with a **unique value proposition** to our customers

3 Restructure the business management foundation: step up to **operational excellence** and finally towards **business excellence**

Aligned with this strategic direction, Y-EMEA pursues its diversification goals by reviewing the component business strategy, enhancing the revenue foundation, and proposing a unique value proposition as an Electrical/Electronic Distribution & Display System (EEDDS) supplier to customers. This involves tapping into the comprehensive power of the Global Yazaki Group and developing new business fields responsive to the changing era, while capitalizing on the advantages of the conventional (core) business.

The third focal point consists in the restructuring of the business management foundation progressing from operational excellence towards business excellence. This included streamlining the legal structure, improving cost, quality and efficiency, driving digitalization and innovation, and fortifying corporate governance and internal control activities. Moreover, the strategic vision further incorporates a proactive approach to sustainability, preparing Y-EMEA to meet emerging sustainability requirements and actively pursue carbon neutrality. This involves the development of environmentally friendly products/services and the creation of new business opportunities. In essence, the P82 Y-EMEA President's Policy embodies a multifaceted strategic approach, aligning the overall strategic direction with sustainable business practices and positioning the company for sustainable growth in a rapidly evolving business landscape.

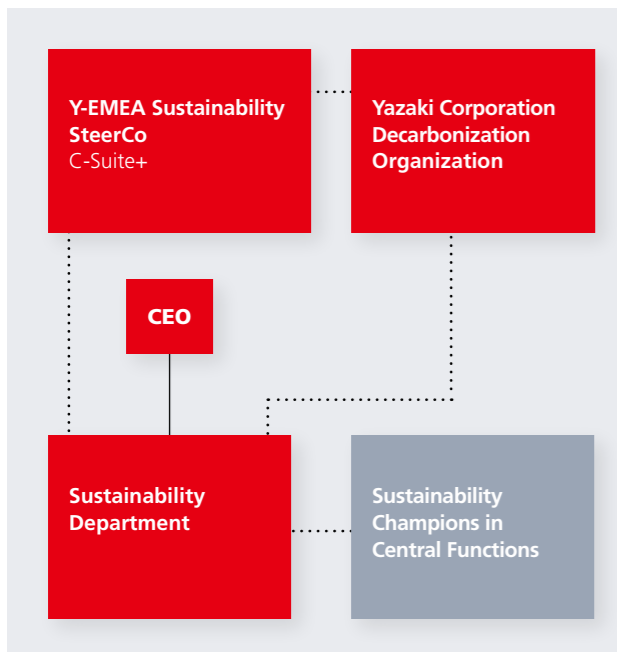
ONE FOR ALL, ALL FOR ONE



SUSTAINABILITY ORGANIZATION

Advancing our organizational culture toward sustainability is a strategic, long-term commitment that demands a shared vision and dedication at every level of our company. To lead this initiative, Y-EMEA has instituted a governance model for sustainability, ensuring the effective implementation of the sustainability approach across the business. This model is designed to uphold Y-EMEA's capacity to fulfill Yazaki Corporation's Decarbonization Organization strategies and targets while also taking into account sustainability requirements from customers and other external stakeholders.

Yazaki EMEA Sustainability Governance Structure:



The Y-EMEA Senior Leadership Team (4 C-Suite) and the Chairman assume full commitment to the management of the company's sustainability approach, being supported by the Sustainability Department for coordinating the development of Y-EMEA's Sustainability Strategy, its implementation and reporting on progress, in collaboration with the Central Functions and Business Areas.

Central to this effort is the Sustainability Steering Committee, a deliberative body responsible for the assessment, decision, debate, and monitoring of the implementation of Y-EMEA's Sustainability Strategy and ambitions. It plays a pivotal role in shaping our sustainability strategy, providing valuable insights, and ensuring that sustainability considerations are integrated into our decision-making processes.

This committee is comprised by the Chairman, Senior Leadership Team (C-Suite), top management, and the sustainability team. Regular meetings are held bi-monthly, fostering continuous dialogue among committee members.

The Sustainability Department has transitioned to a direct reporting line to the CEO. This strategic realignment underscores the significance of sustainability within our organizational structure, ensuring that sustainability is not only endorsed but is also directly integrated into the highest levels of leadership. The Sustainability Department is responsible to maintain an ongoing communication with Yazaki Corporation with regular updates on the sustainability activities and performance.

To further amplify our commitment, we have reinforced our Sustainability Champions network. These dedicated individuals, strategically positioned across various Central Functions, play a crucial role in championing sustainability initiatives within their respective spheres of influence. Monthly meetings have been instituted to empower sustainability champions with updated information, share best practices, and foster a collaborative network aimed at driving sustainability efforts throughout the organization.

SUSTAINABILITY AMBITIONS

Y-EMEA has strategically incorporated sustainability within the Corporate Strategy under the pillar of Business Excellence to address the expectations of both our market and society, as well as the complex regulatory landscape in Europe.

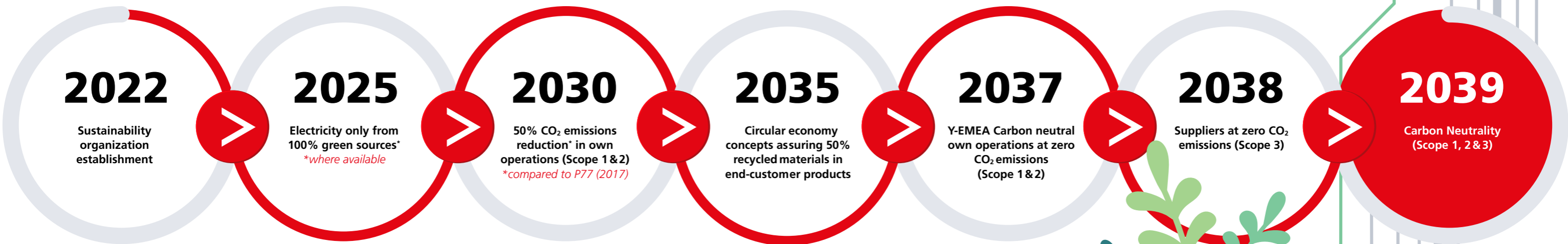
Sustainability stands as a significant megatrend in the automotive industry, marked by escalating Original Equipment Manufacturers' (OEMs) demands for decarbonization and energy transition. Our customers base now seeks comprehensive sustainability information concerning our company and products.

In response to this evolving European Union regulatory and market landscape, Y-EMEA has established decarbonization ambitions to be achieved by 2039 in its region and in alignment with the decarbonization targets set by Yazaki Corporation for the entire Group. These ambitions are outlined

through several key milestones. Beyond our responsible and ethical practices, and in pursuit of our decarbonization ambitions, we acknowledge the impact of our business on both society and the environment in a holistic manner.

Sustainability has always been a part of Yazaki's spirit and culture. As we navigate the challenges of our times, Yazaki values serve as guiding principles in the way we operate but also contributing to shape a better future for our planet and communities. Our sustainability approach is guided by our corporate policies and by seamlessly integrating sustainability into our operational framework, we affirm our commitment to contributing to the achievement of the UN Sustainable Development Goals (SDGs) as a collective objective. It is imperative not only for governments but also for the private sector and civil society to actively contribute. Recognizing the pivotal role that businesses play in realizing these 17 Global Goals by 2030, we understand that our activities contribute across all SDGs, albeit with varying degrees of significance.

Considering the specificities and challenges inherent in the automotive sector, we at Y-EMEA prioritize and concentrate our efforts on nine distinct sustainability areas, strategically organized into three spheres.





PEOPLE SPHERE



Our people: decent work, training and development



No poverty and reduced inequalities



Gender equality



Good health and well-being



Social community service and support of social institutions

BUSINESS SPHERE



Responsible production



Innovation and infrastructure

ENVIRONMENTAL SPHERE



Environmental soundness: climate action, clean water and energy



Sustainable communities

MATERIALITY ASSESSMENT

As the European Union (EU) Corporate Sustainability Reporting Directive (CSRD) looms on the horizon, companies across the EU are gearing up to align their sustainability reporting practices with the newly established European Sustainability Reporting Standards (ESRS) covering Environmental, Social, and Governance topics.

In 2023, we conducted a preliminary double materiality analysis as part of our proactive measures to meet the forthcoming regulatory requirements. This analysis aimed to provide comprehensive insights into Y-EMEA's impact on society and the environment, as well as its exposure to Environmental, Social, and Governance (ESG) risks and opportunities.

The assessment focused on two key dimensions:

- **Impact materiality** – the Y-EMEA's economic, social and environmental impacts on people or the environment
- **Financial materiality** – the impact of sustainability topics on Y-EMEA's business value

THE PROCESS HAS COMPRISED THE FOLLOWING PHASES:

PHASE 1 Planning

- **Identification** of sustainability topics aligned with the ESRS
- **Selection** of internal and external stakeholders sample to invite to the stakeholders consultation (employees, customers, suppliers, social institutions/NGOs)
- **Preparation** of external and internal survey, interview script and scoring methodology

PHASE 2 Stakeholders consultation

- **Application of online survey** to selected stakeholders
- **Interview ESG topic owners** to validate/calibrate results about sustainability impacts, risks and opportunities

PHASE 3 Results report

- **Results analysis**
- **Materiality matrix** submitted to C-level approval

“In today's dynamic business landscape, addressing environmental, social, and governance complexities demands a strategic approach. Urgency propels us, as evidenced by our proactive double materiality assessment in preparation for forthcoming EU reporting requirements. We view challenges not as obstacles but as catalysts for progress. Integrating gained insights, our Sustainability Strategy takes shape, fueled by collaboration with both internal and external stakeholders. Together, we navigate the path of sustainable development to mitigate risks and seize opportunities.”




 **Patricia Cavaco**
Head of Sustainability

We collected feedback from 44 stakeholders (internal and external), ensuring a diverse representation of perspectives, and the results have been summarized in the table on the next page, highlighting the most significant topics.

Moving forward, as Y-EMEA progresses in its journey toward EU CSRD and ESRS compliance, these preliminary results will be continuously monitored, and serve as an input to the development of our Corporate Sustainability Strategy and annual sustainability report. On the following pages, we delve into initiatives that actively contribute to each identified sustainability area, providing detailed insights into our material topics and our efforts in these specific domains.

We have identified as material topics for our business those perceived by the stakeholders we consulted (internal and external) to have a moderate to high level of impact and/or financial materiality.



	Material topic	Material sub-topic	Impact materiality	Financial materiality	Risks exposure before mitigation action	Opportunities	Our management and metrics section for reference
 PEOPLE SPHERE	Own workforce	Working conditions	High	Moderate	Labor disputes, legal violations and negative employee morale	Ensuring safe, inclusive, and fair working conditions to enhance employee satisfaction and attract top talents	7. Our people: decent work, training and development
		Equal treatment and opportunities for all	High	Moderate	Discrimination claims, reduced employee engagement, and potential legal action	Promoting diversity, equity and inclusion (DEI) initiatives to create a fair and equitable workplace	8. No poverty and reduced inequalities 9. Gender equality
		Other workers related rights	High	Moderate	Legal violations, supply chain disruptions, and reputational damage	Conducting due diligence, auditing supply chains, and eliminating unethical labor practices	8. No poverty and reduced inequalities – Respect for human rights
	Workers in the value chain	–	Moderate	Moderate	Supply chain disruptions, labor violations, and reputational damage	Engaging with suppliers, auditing practices, and promoting responsible sourcing	12. Responsible production and consumption
	Affected communities	Communities' rights	Moderate	Low	Community opposition, legal actions, and reputational damage	Engaging with communities, supporting local development, and respecting human rights	11. Social community service and support of social institutions 12. Responsible production and consumption – Supplier management; 15. Sustainable Communities
 ENVIRONMENTAL SPHERE	Climate change	Climate change	Moderate	Moderate	Stricter emissions regulations, higher energy costs, and potential damage to our facilities and supply chain disruptions due to extreme weather events	Investing in energy-cost effective technologies, carbon neutral product portfolio, developing sustainable supply chain practices to mitigate risks, and enhance brand reputation	13. Innovation and infrastructure; 14. Environmental soundness: climate action, clean water and energy
		Energy	Moderate	Moderate	Volatile energy prices, no availability of green energy	Implementing energy-saving measures, adopting renewable energy sources, energy-efficient product portfolio	
	Pollution	Pollution	Moderate	Low	Regulatory non-compliance, potential legal liabilities, and stakeholder backlash	Implementing pollution prevention measures, sustainable waste management, and proactive engagement with regulators and communities	13. Innovation and infrastructure 14. Environmental soundness: climate action, clean water and energy
		Substances of concern	Moderate	Moderate	Regulatory non-compliance, potential legal liabilities, product recalls, lawsuits, reputation damage, and supply chain disruptions	Transparency in materials used, and compliance with regulations to build trust with stakeholders	
	Resource use and circular economy	Waste management	Moderate	Low	Legal liabilities, increased disposal costs, and supply chain disruptions	Waste reduction strategies, recycling programs, and waste-to-energy initiatives	13. Innovation and infrastructure
		Circular economy	Moderate	Moderate	Supply chain disruptions, increased production costs, and regulatory constraints	Resource efficiency measures, sustainable product design, and low carbon products	13. Innovation and infrastructure
	Biodiversity and ecosystems	Impact on the ecosystems	Moderate	Low	Disruptions in the supply chain, regulatory changes, and reputational damage	Implementing ecosystem-based management, responsible sourcing, and sustainable resource use	12. Responsible production and consumption – Supplier management; 14. Environmental soundness: climate action, clean water and energy; 15. Sustainable communities
 BUSINESS SPHERE	Consumers and end users	Personal safety	Moderate	Moderate	Product recalls, safety incidents, and legal liabilities	Rigorous product testing, quality assurance, and safety standards compliance	12. Responsible production and consumption – Quality
		Information related impacts	Moderate	Moderate	Privacy breaches, data security incidents, and loss of customer confidence	Ensuring data privacy with responsible data handling	5. Governance – Ethics and conduct
	Business conduct	Corporate culture	High	Moderate	Toxic work culture, talent turnover, and negative publicity	Cultivating a positive corporate culture, values alignment, and employee well-being initiative	4. Our company – Our mission, vision and values 12. Responsible production and consumption (NYS)
		Corruption and bribery	High	Moderate	Legal consequences, damage to reputation, and financial penalties	Implementing anti-corruption measures, transparent business practices, and compliance with anti-bribery regulations	5. Governance
		Protection of whistleblowers	High	Moderate	Legal consequences, unethical behavior, and negative perception	Establishing whistleblower protection mechanisms, encouraging reporting, and ensuring confidentiality	
		Political engagement and lobbying activities	Moderate	Low	Perception of undue influence, legal constraints, and reputational damage	Transparent lobbying practices, alignment with sustainable policies, and ethical engagement with policy makers	5. Governance
	Management of relationships with suppliers	High	Moderate	Supply chain disruptions, unethical practices, and legal issues	Ethical procurement practices, fair payment terms, and responsible supplier management	12. Responsible production and consumption	

PEOPLE SPHERE



07. OUR PEOPLE: DECENT WORK, TRAINING AND DEVELOPMENT

Material topic: Working conditions

Equitable employment practices, safe workplaces, social protection, and continuous learning are fundamental working conditions that not only propels businesses toward economic growth but also underscores their commitment to prioritizing the well-being of their workforce, preparing individuals for meaningful employment by enhancing their skills and capabilities, and cultivating a positive and secure working environment.

Y-EMEA aims to undergo a comprehensive transformation over the next decade to navigate the swift and profound changes in the automotive industry, positioning ourselves as the foremost provider of Electrical and Electronics Distribution Systems. Guided by a well-defined mission, we aim to leverage the cultural strengths inherent in the Yazaki team in EMEA. Embracing the philosophy of 'One for all, All for one', we collaboratively bring to life millions of vehicles each day through our products and a commitment to excellence in all aspects of our operations.

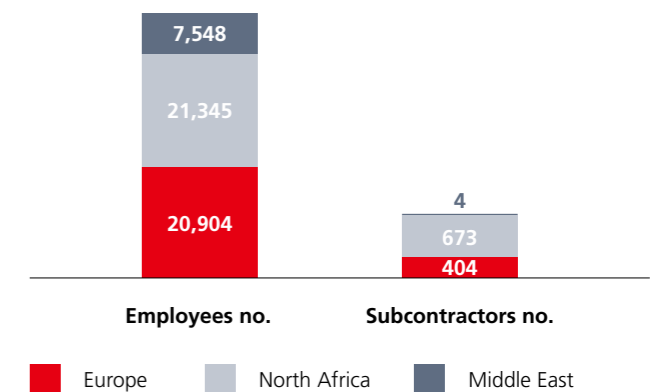
Our three spirits (Fortitude, Foresight and Service Mind) give our Human Resources teams the framework for an operative and strategic approach on how to support the achievement of our vision and mission.

OUR WORKFORCE COMPOSITION

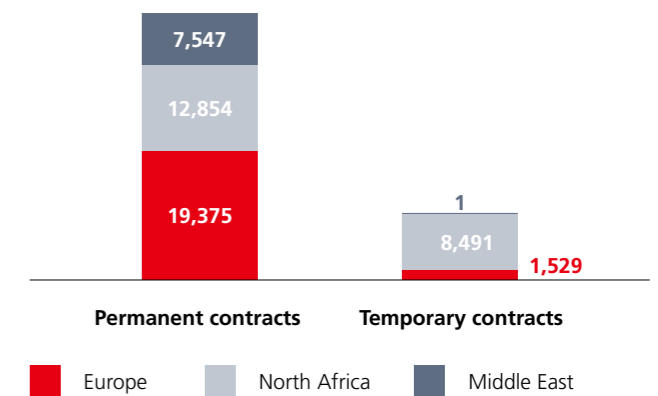
Y-EMEA is dedicated to maintaining a robust employment structure ensuring compliance with

local employment laws and regulations. As of the end of Business Year 2022, our own workforce was composed by 49,797 people with 42% of our employees based in Europe, 43% in North Africa, and 15% in Middle East. 80% of our employees held permanent contracts, 20% temporary contracts and 99.7% worked on full-time basis. Y-EMEA also had approximately 1,081 subcontracted employees.

Employees and subcontractors per sub-region – 2022



Employees' contract type – 2022

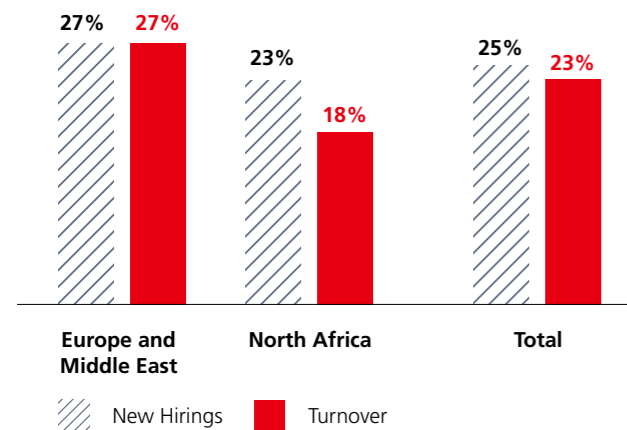


TALENT ATTRACTION AND RETENTION

Y-EMEA operates in several countries within the EMEA region, each presenting its unique job market challenges in talent acquisition. Recognizing the importance of a localized strategy, we prioritize a tailored approach to maximize value.

While conventional methods such as posting job opportunities on our website and platforms like LinkedIn address immediate hiring needs, we understand the significance of establishing a prominent Employer of Choice identity in the job market. To achieve this, we undertake proactive measures, including building relationships with local and regional colleges and universities, participating in job fairs, and fostering connections with the local communities. These efforts contribute to enhancing our employer profile, increasing public awareness, and solidifying our presence in the diverse local and regional landscapes where we operate.

Turnover and hiring rates 2022 (P82) (%)



Recognizing that talent is not solely found externally but also within our organization, Y-EMEA has implemented a new talent management approach that focuses on our own employees. As a people oriented company, this core part of Yazaki's identity has been reaffirmed by the President's policy and its commitment to foster and promote personnel development through the culture of challenge.

The success we achieve in the market is attributed to our employees' profound understanding of our customers, our spirit and culture as well as our way of doing things. This process leverages our internal expertise and potential as a strategic advantage, concurrently providing employees with the opportunity to raise their hands to be recognized as a talent.

The new talent management approach is based on a holistic concept, from a clear profile for identifying talents to a concept on how to develop and prepare the talents for future tasks and, finally, giving them the opportunity to seek internal advancement. This is an ongoing and joint effort of our human resources community and our leaders to the talent and regularly talk about their development on a local, regional and international level. This continuous commitment is crucial to the success of the new approach.

Another significant change in the new talent management process is the introduction of a new career path besides a managerial career. In our industry, technical knowledge and expertise are essential for success. The new expert career offers an opportunity for advancement for skilled and highly qualified employees who are not interested in managing people but are with no doubt extremely valuable people to our company.

Retention is key in managing our talent. Therefore, we have – for the first time at Y-EMEA – prepared an employee engagement survey to measure enablement and engagement of our people. Engaged employees are a pivotal factor to Yazaki's business success by driving innovation that leads to our diversified product portfolio. The employee survey will give us the opportunity to enter into a dialogue with our employees and to address areas for improvement on an organizational level. The survey will be conducted in P83 (Business Year 2023) for the first time across our region.



At the team level, Yazaki has initiated the Cultural Transformation program that is based around the Yazaki Spirit and our six values. During the reporting business year, the values were defined to lay the foundation to ensure we drive our purpose of sustainable growth together by equally driving strategy deployment, structural adjustments as well as cultural foundation. In a workshop format, every team is guided through the process to assess their current state and to define areas for improvement against our six values. After a pilot phase with workshops in some plants, Business Units and Central Functions we are ready to deploy further and onboard every leadership team within the next two years – ultimately reaching all our employees to embody the Yazaki Spirit.

TRAINING AND DEVELOPMENT

In the face of diverse challenges within an ever-evolving automotive industry landscape, the need for a workforce committed to continuous learning and development becomes paramount. Ensuring that our employees have the skills and qualifications to securing Yazaki's success in the industry is our commitment. Our focus is not only on laying the foundation for future innovative solutions but also on maintaining consistently high product quality that aligns with customer requirements. Therefore, Yazaki places hitozukuri (human resources development) before everything else and performs monozukuri (craftsmanship) by leveraging its human resources. Specifically addressing skills in production, Y-EMEA utilizes the Operational License System (OLS) to develop human resources who satisfy customer requirements for Quality, Cost, and Delivery Time (QCD). Within this system, licensing is a prerequisite for all processing operations and instructions, ensuring that only individuals equipped with the necessary knowledge and skills are authorized to perform in production.

Each production site establishes a local OLS organization comprising qualified trainers, a Standard Training Center (based on the MiniFactory concept – Ryouhin Jouken environment), standardized training methods and materials, and a consistent evaluation process. This structured approach empowers the local OLS team with the tools to ensure qualified operators capable of upholding QCD standards in the production process.

Yazaki actively promotes the development of its employees, recognizing and investing in their inherent potential. Within our plants a key emphasis is placed on identifying and subsequently training employees for future managerial positions. To ensure a systematic and standardized approach across all our plants, the First Line Leadership Program specifically designed for our First Line Leaders has continued to be deployed throughout the reporting year.



HITO-ZUKURI
HUMAN RESOURCES DEVELOPMENT

MONO-ZUKURI
CRAFTSMANSHIP

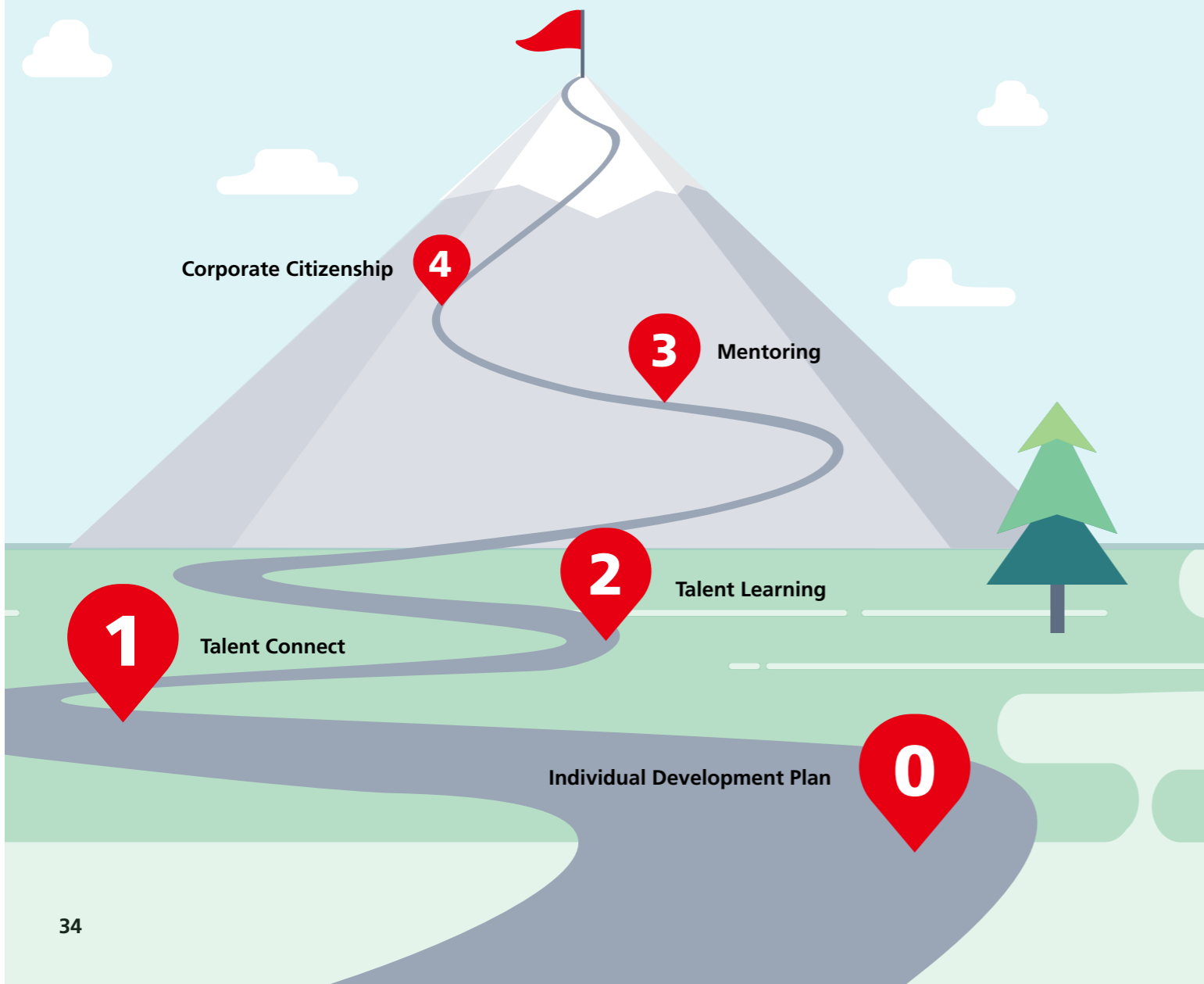


Talent Initiative

Talent Development is the key component of the Y-EMEA Talent Initiative, emphasizing employee learning and continuous growth through individual development plans (IDPs). The initiative includes various activities such as:

- 1 **Talent Connect**, facilitating interactions with C-level and Functional Heads for shared development experiences;
- 2 **Talent Learning**, providing insight into diverse topics to broaden strategic understanding;
- 3 **Mentoring partnerships**, where senior leaders impart their experience to talents; and
- 4 **Corporate Citizenship**, enabling talents to participate in local social projects as a means of contributing to society.

During the Business Year, the Y-EMEA Talent Initiative has actively engaged not only the talents themselves, but also our leaders and respective mentors of the talents. Each of them undergoes their own development activities to strengthen the joint focus of the development of our talents. Our leaders were offered intense training sessions on "Coaching skills for leaders" as well as "Feedback culture". For the mentors the Talent Management team offers internal best practice sharing as well as mentors skills sessions to best support them in their mentoring role.



Leadership Development

Enabling leadership has also led further implementation of contemporary tools, such as 360 degrees feedback for the higher management levels which will be further rolled out in P83 (Business Year 2023). Our upper management acts as role models in being open for bottom-up feedback on their own behaviors, signaling to the organization their own continuous learning path.

Employee Performance Assessment

Building upon our commitment to excellence in production and business processes, we persist in our pursuit of organizational objectives to establish leadership in Electrical and Electronics Distribution Systems. Employee assessments remain integral, offering insights into training needs and development opportunities, fostering a culture of support for individual success and growth.






Our established Performance Management Process (PMP) for white-collar employees serves as a comprehensive framework, facilitating the identification, evaluation, and development of performance to align with organizational, work area, and individual objectives. This structured approach not only cultivates a constructive and dialogue-based working culture between employees and managers but also promotes collaboration in achieving results and individual development. Furthermore, it ensures transparency and fairness in decision-making related to appraisal, compensation, promotion, and disciplinary actions.

For our blue-collar workforce, a distinct evaluation approach is employed, given the structured nature of their roles within the production process. Performance is continuously measured based on work output, emphasizing the maintenance of consistent and high product quality. Metrics include attendance and productivity, with local initiatives implemented to motivate blue-collar employees to meet quality and quantity goals. Recognizing exceptional performance, initiatives like "Line of the Month" and "Employee of the Month" celebrate team and individual achievements, reinforcing a culture of excellence at every level.



Yazaki Spirit Award

The Yazaki Spirit Award is an initiative from employees for employees that recognizes those embodying the Yazaki mindset and values, translated in five categories:

 Fortitude	 Foresight
 Service Mind	 One for all, all for one.
 Special Award	

It's a unique chance to recognize and honor colleagues either as an individual or an entire team who bring the Yazaki Spirit to life.

Special Award 2022 for Yazaki Ukraine

Yazaki Ukraine (YUL) received the Yazaki Spirit Award in the "Special Award" category, acknowledging the exceptional accomplishments of the on-site team. Despite facing extremely challenging circumstances, the team demonstrated unwavering dedication, ensuring the continuous operation of the plant and preventing any adverse effects on customers.

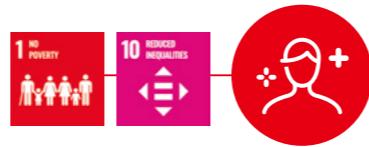


"This award is an impressive proof that the efforts of every colleague are important for Yazaki, that everyone is needed by the company and that the company cares about everyone."



Jozef Polak,
YUL Plant Manager

08. NO POVERTY AND REDUCED INEQUALITIES



Material topic: Equal treatment and opportunities for all

As businesses play a crucial role in economic activities and job creation, addressing poverty and inequality are closely tied to the principles of equal treatment and opportunities for all within the business realm.

By actively contributing to the eradication of poverty and reduced inequalities, businesses play a crucial role in shaping a business culture that fosters fairness and inclusive workplaces, prioritizing diversity, equity, and equal treatment, contributing to the overall well-being and prosperity of both individuals and society at large. It's not merely a social responsibility but integral to sustainable business practices that drive the creation of a more sustainable and equitable future to all.

Y-EMEA is committed to the [Yazaki Group statement for Corporate Social Responsibility](#). Our CSR policy prioritizes building trust through open communication, fostering a diverse and inclusive workplace, upholding human rights, rejecting forced and child labor, and ensuring compliance with labor laws for fair wages, working hours, and overall working conditions.

RESPECT FOR DIVERSITY AND NON-DISCRIMINATION

Grounded in our Yazaki Spirit and values, we prioritize the well-being of our people and communities by implementing measures that reduce inequalities and foster social inclusion in the regions where we operate.

Respecting the diversity of our employees, we provide equal opportunities to all, irrespective of their background. As stated in our Code of Conduct, we value what each individual brings to our teams, regardless of their ethnic descent, origin, nationality, religion, ideology, gender, sexual orientation,

gender identity, age, disability, medical condition, color or any other characteristics. Regardless of being a legal requirement in countries where we operate, Y-EMEA actively supports employees with disabilities, defining suitable workplaces with the assistance of local EHS Teams and safety committees. At the end of Business Year 2022 (P82), Y-EMEA employed 1,574 persons with disabilities.

Our commitment to equal employment opportunities encompasses adherence to "equal pay" principles, provision of fair working conditions, and locally relevant employee benefits.

We recognize that our people, hailing from diverse backgrounds, are integral to our collective success. With 17 different nationalities already represented in our management team and an increasing number of women occupying key positions, we strive for continued diversity in recruiting, development, and promotion to ensure equal opportunities for all.

Proactively embracing diversity we prioritize inclusion to thoroughly comprehend and meet the expectations of our diverse global customer base. Upholding adherence to labor laws within our operations, we expect our suppliers to meet the same standards.

17

DIFFERENT NATIONALITIES

represented in our management team



Celebrating young talents and their skills in Tunisia

Y-EMEA emphasizes the development of new talents and the promotion of personal and professional growth. Our Tunisian colleagues seized the opportunity of World Youth Skills Day to showcase the diverse skills of their younger workforce in sports, arts, technology, and other disciplines. Hosted by Yazaki Tunisia (YTU), the event not only celebrated the successes of these individuals but also provided inspiration to all attendees.

To mark "International Youth Day", YTU focused on the theme "Creating a world for all ages for intergenerational communication", engaging in meaningful discussions and attentively listened to the perspectives of younger employees. The celebration also emphasized the potential of youth, with the initiation of site-wide initiatives aimed at better integrating young talents into the company's strategic plans and success goals.

Yazaki Moroccan employees race a 10 km run to celebrate Immigrant Day

In a display of vigor and community spirit, Yazaki colleagues from various Moroccan locations participated in a 10-kilometer run on August in Kenitra. The event, organized to commemorate Immigrant Day and sponsored by the Kenitra sites, drew enthusiastic participation. Accompanied by celebrations honoring the region's notable athletes and musical performances, the run exemplified the strong connection between Yazaki and the local community. The run served as a testament to the company's commitment to fostering a healthy and engaged workforce.

Yazaki Türkiye listens to the hearing-impaired's needs

During "Hearing-Impaired Week" at the Turkish Yazaki site in Gemlik (YOT-G), a dedicated production line was established to address challenges faced by colleagues with hearing impairments. This solution has significantly improved their working conditions, fostering both happiness and efficiency. Simultaneously, sign language training for the rest of the workforce demonstrates our commitment to mutual understanding. To mark the week, a sign language video was created, reflecting our dedication to inclusivity and understanding.

More information on diversity is available on **section 9. Gender Equality**.

HELLO! مرحبا BUNA!
Olá! Bonjour!
BUONGIORNO! Привіт
Hallo SALUT!

RESPECT FOR HUMAN RIGHTS

Material topic: Other Work-Related Rights

Respecting and managing human rights risks in operations and the supply chain is crucial for business success. By adhering to international human rights norms, Y-EMEA not only upholds its moral responsibility but also mitigates potential legal, financial, and reputational risks. It fosters a positive workplace culture and enhances stakeholders' trust. Prioritizing human rights aligns with responsible corporate practices and ensures operational resilience.



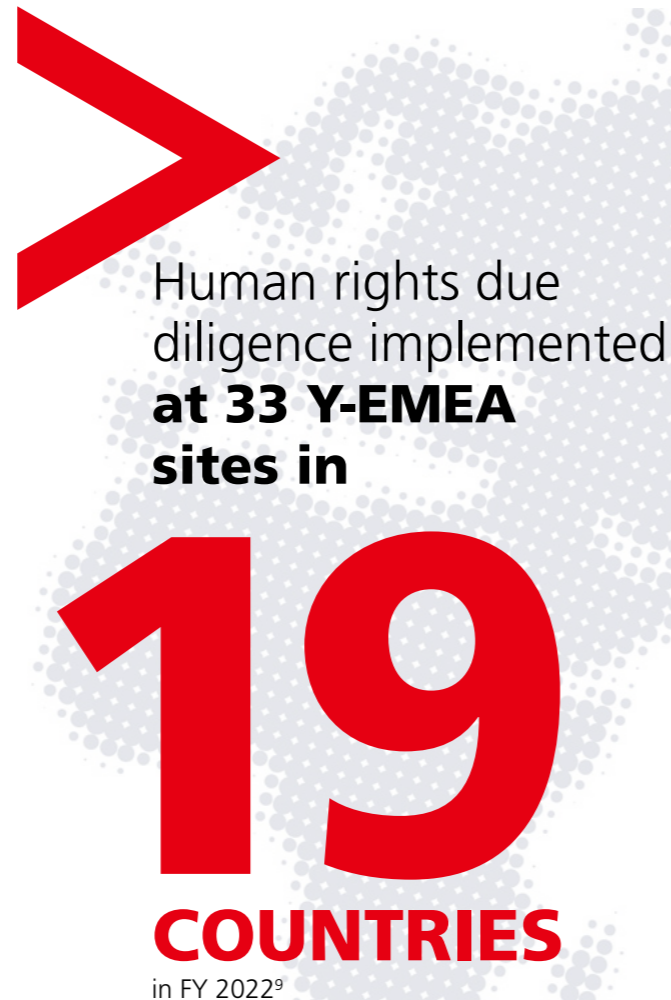
The Yazaki Group places a strong focus on addressing human rights risks in its operations and supply chain, as outlined in its [Human Rights Policy](#). This policy underscores the Group's commitment to respecting international human rights principles, such as those defined by the Universal Declaration of Human Rights and the International Labour Organization as well as the UN Guiding Principles on Business and Human Rights. The Yazaki Group Human Rights Policy holds precedence over other relevant policies and documents, including the CSR Policy, Yazaki Global Responsible Mineral Policy, and the Code of Conduct. This policy applies to all companies of the Yazaki Group, their executives and employees, mandating proactive measures to prevent human rights violations. Additionally, it calls upon Yazaki Group's suppliers and stakeholders to endorse and strive to uphold human rights standards.

In FY2022, Yazaki Group conducted a thorough **review of its whistleblowing system**, aligning it with the effectiveness criteria outlined in the UN Guiding Principles. Amendments were made to internal rules in Japan following changes to the Whistleblower Protection Act, accompanied by deployment and educational efforts. Notably, a "Global Whistleblowing System" is under preparation to facilitate direct reports from overseas locations to the global headquarters in Japan, aiming for early detection and prevention of serious legal violations.

In Y-EMEA, a comprehensive "Whistleblowing System" was implemented and made accessible to both internal and external individuals on its website. This system allows for anonymous or named reporting on poten-

tial violations, including those related to the Code of Conduct or human rights laws. A conformance review in FY2022 confirmed the system's alignment with the UN Guiding Principles, ensuring its effectiveness in addressing grievances related to human rights violations. Remarkably, no reports on violations, specifically modern slavery and human trafficking, were received by Yazaki Group in FY2022.

Yazaki Group operates a comprehensive **human rights due diligence system**, encompassing all facets such as child labor and forced labor prevention. Each location conducts an annual assessment of human rights-related risks, reporting the findings to the Internal Control Committee in each region. In FY 2022, regional entities shared identified risks and countermeasures with the Global Internal Control Committee, fostering ongoing efforts to mitigate global risks.



⁹ The variance in this indicator compared to Business Year 2021 result is due to the deliberate exclusion of Russian sites from the reporting scope. This decision was made in response to the massive and unprecedented sanctions imposed by the EU against Russia following Russia's war of aggression against Ukraine.

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"Y-EMEA is fundamentally committed to respect Human Rights. We strive to create a safe working environment, adequate and fair working conditions for all employees that contribute to a high-performance culture. Our regular Human Rights Due Diligence activities fully support realization of these ambitions."



Markus Kornmaier
Head of Corporate Governance

The human rights due diligence framework is part of the Y-EMEA existing risk management activities. A focal point includes addressing defined major legal risks including continuous monitoring of relevant development and trends (also) on modern slavery and human trafficking. Relevant reporting on human rights status comprises the regular status reporting during the Y-EMEA Internal Control Committee as part of our risk assessments as well as ad-hoc management reports in case of any potential concerns.

In FY2022, human rights due diligence was conducted at 33 locations across 19 countries, revealing no specific violations related to modern slavery and human trafficking. Looking ahead to FY2023, we plan to survey and assess human rights risks among our suppliers, aligning with the global implementation schedule and prioritizing ongoing due diligence activities, including an assessment of suppliers and taking risk mitigation measures where necessary.

Training programs, such as those based on the Code of Conduct, ensure awareness and understanding among management and employees globally. In Y-EMEA, specific initiatives, including Code of Conduct training and awareness programs, contribute to fostering a culture of respect for human rights. Moreover, at the Y-EMEA ICC meeting in FY2022, Yazaki Europe's top and middle management have been informed and educated about human rights risks and the trends in laws and



regulations that the Yazaki Group should be aware of. In addition, a Code of Conduct training for plant leaders in Türkiye and Morocco was carried out. We remain dedicated to further promoting awareness and understanding of human rights policies among executives and employees.

As part of the reworked Business Partner Code of Conduct Y-EMEA dedicated a chapter on expectations on human rights-related behavior in the supply chain.



More information about the Yazaki Group Human Rights approach is available at our [Slavery and Human Trafficking Statement](#) that is issued annually to ensuring compliance with the UK Modern Slavery Act.

JOB CREATION

By establishing a presence in various countries, our business become a catalyst for employment opportunities, enhancing the quality of life for local residents and being a key contributor to economic growth at the local level.

Through the establishment of subsidiaries or facilities, we actively engage with and support the communities in which we operate, not only providing direct employment but also creating indirect job opportunities across the supply chain.

Below some examples from our operations are presented.

EUROPE

Japanese Ambassador appreciates growth of Yazaki Zagreb

Yazaki Zagreb (YEL-Z) received a distinguished guest, H. E. Iso Masato, the Ambassador of Japan to the Republic of Croatia. The Ambassador undertook a guided tour of the facility after an insightful presentation by local management. Witnessing the impressive growth of Yazaki Zagreb over the past 23 years, Ambassador Masato expressed his admiration and anticipation for continued mutual support, foreseeing a trajectory of sustained expansion.

Yazaki attracts students in Bulgaria

Yazaki Bulgaria (YBE) participated in the renowned "Internships Forum" at the Technical University in Plovdiv, engaging with prospective employees and employers. Alongside various companies from diverse industries, YBE presented its programs and vacancies, emphasizing developmental prospects and conducting interviews. The event facilitated direct interaction with numerous students, primarily from technical and engineering disciplines. YBE capitalized on this opportunity to demonstrate its appeal as an employer, resulting in significant interest and applications for summer internships.

AFRICA

Yazaki celebrates opening of plant number 2 in Kenitra, Morocco

Y-EMEA marked a significant milestone on September 2022 with the official inauguration of YMOK, the company's second plant in Kenitra, Morocco, and the fourth overall in the country. The event saw the presence of esteemed guests, including Ryad Mezzour, Minister of Industry and Trade, Hideaki Kuramitsu, Ambassador of Japan to the Kingdom of Morocco, and Fouad M'Hamdi, Governor of the Province of Kenitra. With a substantial investment, the plant employing over 3,300 colleagues is dedicated to producing components for vehicles powered by internal combustion engines, hybrids, and electric powertrains.

Yazaki Morocco attracts talents through educational collaborations

Yazaki in Morocco has established robust partnerships with top universities and higher education institutions, emphasizing research and development programs, academic engagement, internships, and active participation in events. In a notable initiative, 40 students from two prominent engineering schools visited the Kenitra plant (YMO-K). The students had the opportunity to explore Yazaki's diverse activity fields and experienced the positive working environment, gaining insights into the Yazaki Spirit. To express their gratitude for the collaboration, the students presented a certificate of appreciation to the on-site team.

Furthermore, HR colleagues from various Yazaki plants engaged with talented individuals at a job fair hosted by the International University of Rabat.

The company's strong employer branding garnered significant attention, making the Yazaki stand one of the most appealing to students. This concerted effort showcases Yazaki's commitment to fostering talent and building meaningful connections with the future workforce.

Golden License paved way for Yazaki in Egypt (YEG)

Yazaki EDS Egypt (YEG) was officially created on January 2023 being the inaugural legal entity under the new Y-EMEA corporate structure. Preceding this achievement, YEG was granted a Golden License (One Unified License) by the Egyptian cabinet followed by the approval of the essential Private Free Zone Status. The official ceremony for the Golden License presentation took place at the GAFI (Government Authority for Investment and Free Zones) premises in Cairo, where Hossam Heiba, President of GAFI in Egypt, acknowledged Yazaki and 12 other companies as the inaugural recipients of such an investment incentive from the Egyptian government. The new Y-EMEA site in Egypt has its operational start planned for July 2024.



09. GENDER EQUALITY

Material topic: Equal Treatment and Opportunities for All

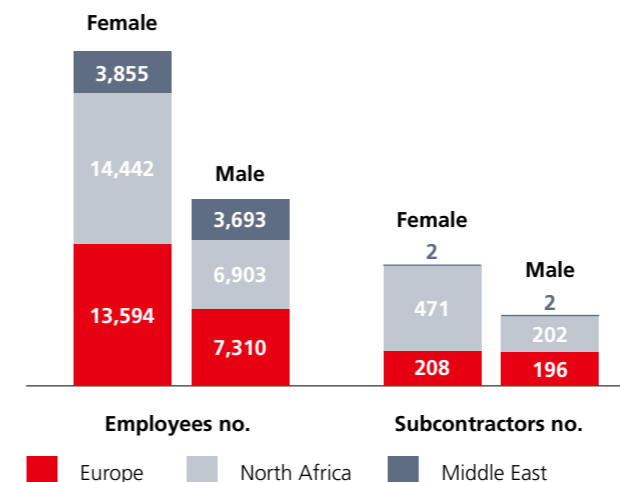
Gender equality is profoundly relevant to our business as it contributes to a diverse and inclusive workplace, fostering innovation, creativity, and better decision-making. Y-EMEA actively embraces diversity and supports inclusion to better understand and meet the needs and expectations of an increasingly diverse and global customer base.

By ensuring equal opportunities for all genders, we tap into a broader talent pool, bringing together a variety of perspectives and skills. This not only aligns with our commitment to corporate social responsibility but also reflects a strategic business decision. Research consistently demonstrates that diverse teams lead to improved business performance, making us more competitive in the market.

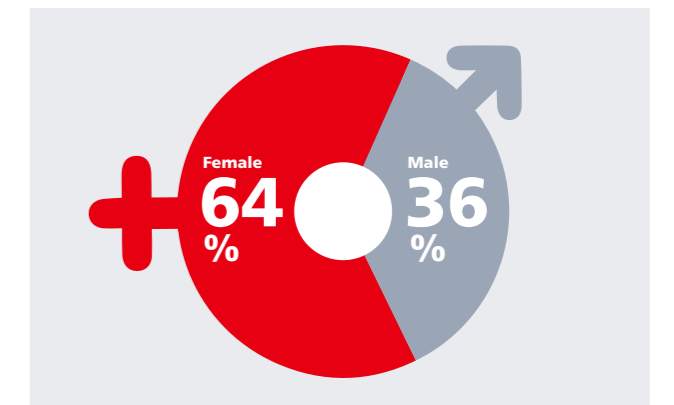
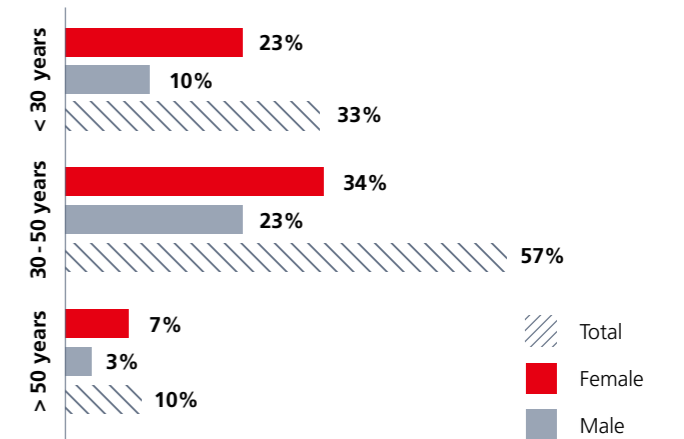
Furthermore, Y-EMEA pursues an inclusive policy respecting gender diversity, providing equal opportunities to all our employees. This approach enhances our brand reputation, making us an attractive employer for a diverse workforce and contributing positively to our organizational culture and employee satisfaction.

The gender distribution of Y-EMEA employees shows that, of the total of 50,878 employees and subcontractors at the end of P82 (Business Year 2022), 64% are female and 36% are male.

Gender distribution per sub-region – 2022



Employees distribution by gender and age group – 2022 (%)

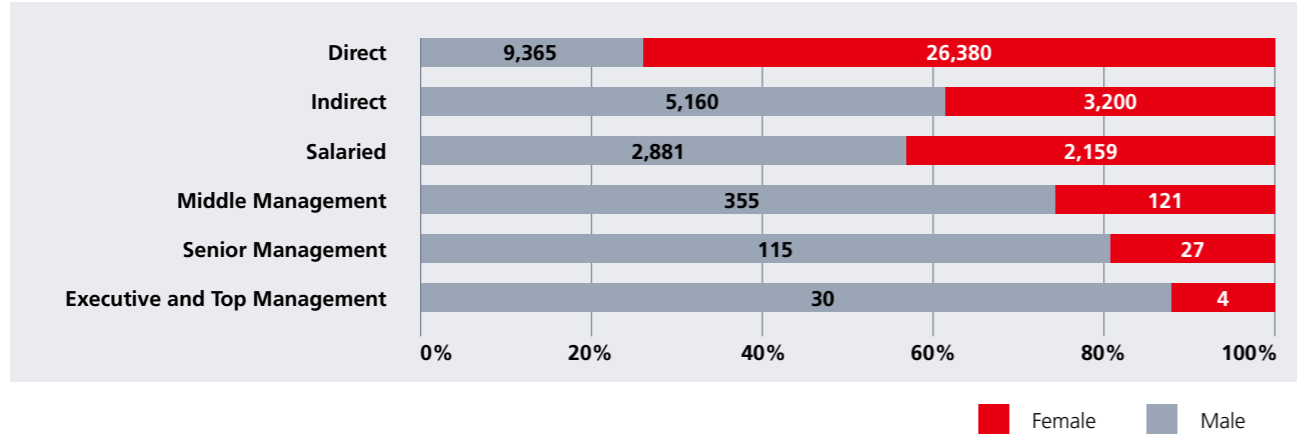


Although our company has a higher number of women than men overall, most professional categories, particularly leadership roles, show a predominant representation of males.

The "Direct" category is an exception, with females constituting 74%. At the end of the reporting period, 23% of management roles are occupied by women. Recognizing the importance of gender diversity, the company has established ambitious goals in 2023, aiming to achieve higher representation of women in management level positions, namely 30% by the end of Business Year 2025 (P85) and 40% by the end of Business Year 2028 (P88). During the year several corporate and local level initiatives to promote gender diversity and equal opportunities have been developed. In this context we present below some examples of initiatives carried out.



Employees distribution by gender and professional category – 2022 (no.)



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"To set up targets for fostering gender equality is important. However, we believe what is even more important is that we all understand and believe in the benefits of it, namely combining different perspectives, more balanced decision-making, enhanced creativity, driving innovation – all of it leading to better organizational success."



Lisa Kitterer
Head of Talent Management

StrongHER initiative

Initiated with careful planning and set to be launched in P83 (Business Year 2023), the "StrongHER" initiative is a pivotal program aimed to empower women within Y-EMEA by fostering skills and confidence. Designed as a platform for accelerated development, it seeks to cultivate a robust network, encourage diverse perspectives, and facilitate mutual growth among participants. At its core, this initiative embodies the belief in collective action, envisioning a culture within Yazaki that champions openness, inclusivity, and the amplification of every individual's voice. It aspires to create an environment where all opinions are valued, fostering an atmosphere where everyone can thrive and progress.

The primary objectives center around bolstering Yazaki women across three crucial domains: Business, to enhance professional acumen; Communication & Network, to fortify connections and collaboration; and Personal Balance & Growth, to support holistic development and well-being. Through this initiative, the ambition is to not only to empower individual women but to also fortify the foundation of an inclusive and supportive community within Yazaki, promoting equitable opportunities for all to flourish.

We make it happen



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"The StrongHER initiative represents a pivotal commitment to sustainability at Yazaki, acknowledging that the strength of our organization is inherently tied to the empowerment and inclusion of all members. Recognizing and nurturing the diverse talents within our workforce aligns seamlessly with our dedication to creating a more inclusive and resilient corporate culture. StrongHER is not just an initiative; it's a sustainable investment in the growth and success of our people, contributing to a harmonious and enduring legacy for Yazaki."



Tamara Skacel-Danchuk
Head of Corporate Communications

Pink October initiative

In support of "Pink October," a global initiative raising awareness and funds for breast cancer, Yazaki emphasizes the significance of addressing this prevalent form of cancer affecting women. The shared advice encourages women to prioritize regular checkups, emphasizing early detection methods. Our employee, Service Mind award winner of the year, donated her prize money to the Lalla Salma foundation, aiding patient treatment.

Care & Share initiative

The Care & Share initiative, initially launched in Ukraine and Portugal, has successfully expanded to additional Y-EMEA locations, including Germany, Italy, and France. This initiative, operating as a "ladies club," provides workplace restrooms with essential hygienic articles to enhance the daily work experience. Following the principle of "we start, you follow," Y-EMEA initiates the setup of sanitary products, and women actively contribute items thereafter. Positive experiences from previous implementations have demonstrated women's engagement and enjoyment in participating. The initiative is set to be introduced in more locations in the future.

EUROPE

Partnership with VONA career hub in Ukraine

Yazaki Ukraine (YUL) demonstrates its commitment to social responsibility and women empowerment through a collaboration with the "VONA" career hub, initially established to assist women facing domestic violence. The scope expanded to support women affected by the war and those relocating to other regions. YUL hosted 32 VONA clients, providing company insights, a production facility tour, and hands-on training experiences. The visit led to one woman securing a job and another undergoing training. A volunteer employee also conducted a practical training session on job searching and interview preparation for women.

AFRICA

Yazaki took part in the "Morocco4Diversity" initiative

Yazaki in Morocco actively embraces diversity and gender equality, participating in the "Morocco4Diversity" initiative launched by the General Confederation of Enterprises of Morocco (CGEM) and the International Finance Corporation (IFC). We engaged in a workshop and meetings focusing on sharing best practices for gender equality and women's integration into technical and leadership roles, addressing gender diversity as a lever for economic growth.

New kindergarten in Tunisia

Yazaki Tunisia's commitment to employee well-being and family support is evident through the investment in a new kindergarten, inaugurated in October 2022. The modern facility accommodates 49 children, promoting work-life balance for parents and contributing to overall employee satisfaction. One of the local HR managers engaged with the children by reading stories and sharing valuable insights on success and the significance of values, fostering a supportive and child-friendly environment.

10. GOOD HEALTH AND WELL-BEING

Material topic: Working Conditions

Ensuring fair working conditions that support long and healthy lives is a paramount responsibility for companies. At Y-EMEA, our senior leadership places a top priority on protecting the health and safety of our teams. Our commitment extends to fostering rewarding workplaces that prioritize safety, reassurance, and a healthy and comfortable work environment for professional development.

Guided by our [Environmental, Health, and Safety \(EH&S\) policy](#), we are dedicated to continuous improvement, determined to maintain a safe and secure working environment that promotes healthy lifestyles while adopting cost-effective practices to eliminate, minimize, or mitigate safety and health risks. Furthermore, medical care services are readily available to all employees.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

Y-EMEA has maintained an Environmental, Health, and Safety Management (EH&S) System across all active manufacturing plants in compliance with ISO 14001 and ISO 45001 Standards.

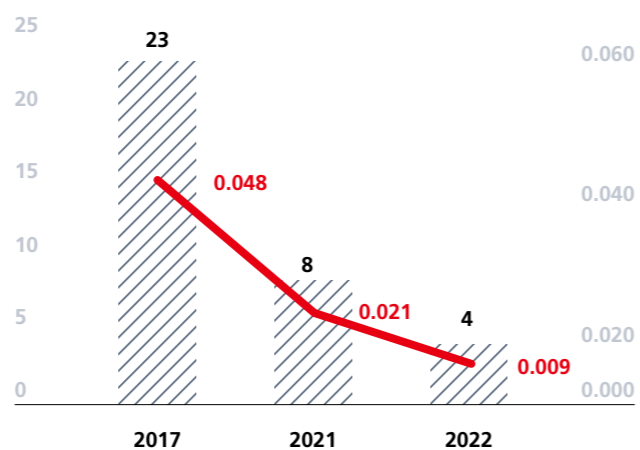
We have dedicated EHS teams in all manufacturing sites to continuously work on EH&S performance improvements, achieve objectives and ensure compliance with legal requirements with the support of senior management and all personnel involved.

We recognize the importance of an open culture in enhancing the effectiveness of the EH&S Management System that involves employees, service providers and contractors, undergoing annual audits for certification. Active and ongoing participation and consultation with workers are encouraged in the development and review of EH&S practices.

Locations determine the best means of ensuring effective worker consultation, including mechanisms like Health and Safety committees, which are standard requirements in all manufacturing plants.

As result of the collaborative efforts invested, the recordable incidents rate has maintained its decreasing trend during the business year, including both manufacturing plants and offices. We aim to continue this trend and maximize our safety level by introducing during next year a new leading indicator such as Near Misses – Unsafe Acts/Behaviors. If we can recognize, reduce and eliminate unsafe acts/behaviors as well as near misses, then we can stop the cascade effect that comes with injuries.

Recordable incidents



Number of Recordable Incidents [n]
Recordable Incidents Rate (RIR) [(n/wh's)* 200.000]



HAZARD IDENTIFICATION, RISK ASSESSMENT, AND INCIDENT INVESTIGATION

Y-EMEA emphasizes an ongoing and proactive approach to hazard identification, risk assessment, and incident investigation at each site. This comprehensive process considers various factors, such as organizational work structures, social dynamics, leadership, cultural aspects, routine and non-routine activities, past incidents, and internal or external emergencies. To prevent undesired effects and achieve annual targets, a systematic process is established for periodic risk and opportunity assessments within the EH&S management system.

Each plant follows a hierarchical approach to eliminate hazards and reduce EH&S risks. This includes eliminating the hazard, substituting with less hazardous processes, employing engineering controls, implementing reorganization of work, utilizing administrative controls (including training), and ensuring the use of suitable personal protective equipment. Additionally, locations identify potential emergency situations, such as fires, chemical spills, or severe weather, and develop emergency response and crisis management plans to address these risks.

To enhance preparedness, each location conducts annual tests of their Emergency Preparation and Response Programs through relevant drills. This proactive and structured approach aligns with Y-EMEA's commitment to achieving continuous improvement in EH&S management.



WORKER TRAINING ON OCCUPATIONAL HEALTH AND SAFETY

Y-EMEA prioritizes comprehensive worker training on occupational health and safety, systematically identifying training needs at each location in line with EH&S management system schedules and legal requirements.

Targeting personnel with roles impacting the environment or contributing significantly to safety, the location-specific training programs cover areas such as risk assessment, first aid, emergency drills, firefighting, automated external defibrillator (AED) usage, evacuation/fire response, hazardous materials, severe weather preparedness, chemicals and material safety data sheets (MSDS), ergonomics, and railroad and traffic safety rules.

Annual induction and periodic health and safety trainings are conducted for both new and existing employees.

MEDICAL SERVICES AND HEALTH PROMOTION

Y-EMEA ensures access to primary health care, with medical services provided to all employees, especially in locations where establishing a medical center on-site is not feasible. Periodic medical exams and regular health checkups are conducted in compliance with legal requirements. Y-EMEA provides occupational and curative medicine, along with medical assistance.

To address locations without medical services for each shift, there is at least one worker trained in First Aid procedures on duty during production or maintenance work. The dissemination of information regarding illness prevention, well-being promotion, and the adoption of healthy lifestyles is actively facilitated through internal communication channels.

EMEA

Yazaki Ukraine and Yazaki Morocco took care of a better vision

Yazaki Ukraine (YUL) prioritized the well-being of its employees by organizing a comprehensive vision care program. Recognizing the significant screen time in the modern workplace, an ophthalmologist with mobile equipment conducted free eye tests for approximately 1,200 employees, covering nearly all local employees. The initiative aimed to promote eye health and included expert advice to encourage employees to prioritize the care of their eyesight.

Also, Yazaki Morocco organized a four-day medical eye checkup campaign in Kenitra. Collaborating with doctors, ophthalmologists, and opticians, the campaign took place at YMO-K and YMK, with an impressive turnout of more than 700 employees. The initiative not only identified colleagues in need of corrective glasses but also provided immediate support with the appropriate visual aids.

Blood donation initiatives across Y-EMEA

Employees of Yazaki Ukraine consistently participate in the impactful "Donate blood – save life" campaign. During the year approximately 50 individuals volunteered to contribute to this life-saving cause.

Yazaki Tunisia, Bizerte (YAP-T), made history by being the sole industrial company in the country to partake in National Blood Transfusion Day. For this commendable effort, the team received the prestigious 1st trophy from the Minister of Public Health. The ceremony acknowledged and expressed gratitude for the team's dedication to supporting humanitarian campaigns, showcasing the staff's community awareness and commitment to the benefits of blood transfusion.

Yazaki Zagreb (YEL-Z) initiated their "blood donation year" with remarkable success, organized in collaboration with the Croatian Institute of Transfusion Medicine at the site. This enthusiastic response resulted in an additional 40 blood donations for medical facilities.

More than 300 employees at Yazaki Portugal (YSE) supported the blood donation program of the Portuguese Institute of Blood and Transplantation (IPST), making YSE one of the largest blood donors in the north of Portugal.

Yazaki Poland (YAP-P) collaborated with the trade union Solidarność to organize an honorary blood donation event. 79 colleagues volunteered to donate blood, that was then distributed to regional hospitals, supporting those in need of transfusions.

Similarly, the Yazaki Romania team in Ploiesti (YRL-P) launched a campaign partnering with a local center to facilitate blood donations with an impressive 100 volunteers participating.



EUROPE

Yazaki Ukraine vaccinates against the seasonal flu

Yazaki Ukraine (YUL) conducted a free flu vaccination campaign, offering convenient access for all employees. Over 100 employees seized the opportunity to receive the flu vaccine, continuing the tradition at YUL.

The initiative aims to support employees in maintaining good health during the cold season, recognizing the potential impact of the seasonal flu on millions of people annually.

YCT brought accident prevention to mind

On the annual World Day for Safety and Health at Work, the EHS team at YCT in Arad, Romania, organized awareness campaigns aimed at fostering a culture of safety and health among employees. These initiatives sought to instill a collective commitment to reducing incidents and accidents. The overarching message, "safety is our priority", resonated throughout the campaign, reinforcing the shared responsibility of each individual in ensuring a safe and healthy work environment.



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"For me, with 33 years of experience in the EH&S sector at Yazaki in Portugal, it is very important to involve employees in humanitarian, social, environmental and safety activities.

Every year we try to do different things but always with the aim of raising awareness and motivating employees towards environmental and social concerns, helping them to contribute to a better and more sustainable society.

Our concerns extend beyond the company. We cannot remain indifferent to families in need, to those who have health problems and need financial support, to institutions that care for animals, to the cleaning of our forests and beaches, etc.

We have always had enormous participation from employees in these humanitarian, social and environmental activities and this fills us with pride and satisfaction knowing that we are not only good professionals but also excellent human beings, aware, responsible and committed to contributing to a better world."



Margarida Maia
EHS Supervisor



11. SOCIAL COMMUNITY SERVICE AND SUPPORT OF SOCIAL INSTITUTIONS

Material topic: Communities' Rights

In alignment with our commitment to building lasting, sustainable partnerships, Y-EMEA recognizes the importance of engaging with local communities and key stakeholders. By addressing global challenges through a localized approach, we are dedicated to making a positive impact on society.

Furthermore, Y-EMEA actively collaborates with NGOs and various associations to provide crucial support to the needs of vulnerable groups. Our engagement extends beyond financial contributions, encompassing meaningful initiatives such as donation campaigns and volunteering activities.

EMEA

Y-EMEA extended support for earthquake relief in Türkiye

In response to the catastrophic earthquake that struck southeastern Türkiye on February 2023, Y-EMEA initiated a comprehensive solidarity campaign to aid the affected communities. While Yazaki plants in Türkiye remained unharmed, several colleagues reported significant impacts on their families and relatives residing in the affected areas, with injuries and casualties.

Following the Yazaki claim of "One for all, all for one," Y-EMEA launched a company-wide campaign to provide support to the people of Türkiye. Recognizing the urgency and severity of the situation, a significant corporate donation was made to contribute to relief efforts. Contributions could be made through transfers to AFAD (Disaster and Emergency Management Presidency), the official Turkish organization coordinating relief efforts.

The corporate donation complements the ongoing initiatives led by our employees, who continue their dedicated aid activities in collaboration with local municipalities. The collective efforts extend beyond



immediate relief, aiming to assist in the establishment of container cities for those affected. Employees willing to contribute with essential goods received assistance, municipalities were provided with cardboard boxes, a blood donation campaign was organized, and colleagues directly impacted by the earthquake received various forms of support, including paid leave.



This multifaceted approach underscores Yazaki's commitment to providing immediate relief and ongoing support to the affected regions, reflecting a collective dedication to the well-being of communities in the face of adversity.

EUROPE

Belgium baking contest raised money for people in need

Embracing the spirit of joy and love during the Christmas season, Yazaki Belgium (YEL-BL) orchestrated its annual baking contest with a charitable twist. Twelve enthusiastic employees from YEL-BL showcased their culinary talents by crafting an array of cakes, sweets, and treats, which were then sold to their colleagues.

The delightful endeavor not only spread the festive cheer within the workplace but also served a philanthropic purpose. The proceeds from this initiative amounted to an impressive 820 Euro, all of which was dedicated to the "De Warmste Week" (The Warmest Week) charity campaign – an annual initiative by a national broadcaster.

In alignment with the campaign's focus on addressing issues of poverty, this year's fundraising efforts sought to raise awareness and provide support to individuals facing economic hardships. The donations collected were directed towards local initiatives actively engaged in assisting those experiencing loneliness, vulnerability, and the need for uplifting gestures.

Donate for Ukraine: "Sharing Light" initiative

In adherence to the cherished Yazaki claim of "One for all, all for one," we stand united to support each other, especially during times of urgent need. The ongoing challenges faced by Ukraine, particularly in the midst of blackouts, call for our collective assistance. To illuminate their lives and offer some relief, Y-EMEA employees were invited to contribute to the "Donate for Ukraine – Sharing Light" initiative.

Employees generously donated essential items, including warm clothes, batteries, sweets, flashlights, reflective bracelets etc. In a demonstration of our commitment, Y-EMEA facilitated the process by providing collection boxes and overseeing the transportation of these donated items to selected volunteer organizations in Ukraine.

Also our Cologne site (YEL-K) donated 3,000 Euro to the initiative "Holidays without war" to Blau-Gelbes Kreuz e.V. The project of this non-profit association is dedicated to aiding people in Ukraine, especially children, internally displaced persons, and those from

war-affected regions in great need. The continuous help includes packages with winter clothing, baby boxes, and medications to cover basic needs.

Yazaki spreads Christmas holiday cheer through charity initiatives

Yazaki Italia (YEL-I) colleagues donned Santa Claus costumes for a heartwarming charity event benefiting the Regina Margherita children's hospital in Turin. The festive occasion, known as "The Reunion of Santa Claus" drew hundreds of supporters, including marathon runners, musicians, and motorcyclists. Some even went the extra mile by climbing the hospital dressed as "The Avengers" to delight the young patients. The primary goal was to raise funds, with this year's proceeds earmarked for the purchase of a new magnetic resonance equipment. Yazaki Europe Limited in Basildon, UK, transformed into a vibrant showcase of unique Christmas jumpers. Organized by our employees, the local Christmas Jumper Day aimed to raise funds for the renowned "Save the Children" organization. Colleagues not only participated in the festive workwear but also generously donated and raffled a hamper, contributing a total of £304.





Connecting students with opportunities at Zagreb University

Yazaki Zagreb (YEL-Z) participated in an event organized by the University of Zagreb's "Faculty of Mechanical Engineering and Naval Architecture" (FSB), a premier institution for engineering studies in Croatia. A new application designed to streamline the internship arrangement process for employers and students was introduced followed by a networking moment to engage with enthusiastic students. The event proved to be a valuable platform for promoting Yazaki's activities and establishing connections with potential future engineers.

Empowering education: Yazaki Romania's "Back to School" tombola

Yazaki takes pride in contributing to the educational journey of community members from a young age, recognizing that investing in education is a step towards building a better future. All four Yazaki plants in Romania (Ploiesti, Braila, Caracal, Buzau) organized a "Back to School" tombola. A total of 150 children of Yazaki employees received Yazaki branded backpacks, thoughtfully filled with essential school supplies such as notebooks, pencils, erasers, rulers, water bottles, and more.



Romania, Back to School

Yazaki Serbia celebrates its first Family Day

Yazaki Serbia (YSD) debuted its inaugural Family Day, following a previously held Children's Day. The event attracted approximately 500 colleagues and their families who immersed themselves in a diverse program. The highlights included popular plant tours, a lively carnival atmosphere, balloon-clad clowns, and a range of engaging activities for children such as air fortresses, painting stations, board games, and various sports like basketball, kid's darts, and table hockey.



MIDDLE EAST

Mudanya plant in Türkiye celebrates World Children's Day and World Animal Day

In honor of World Children's Day, the Mudanya plant in Türkiye (YWT-T) organized a delightful event for employees' children and relatives in October. The festivities included a movie screening and mesmerizing magic performances that captivated the children with mind-bending illusions. This event not only celebrated the significance of children but also provided a joyful occasion for creating lasting and happy memories.

In commemoration of World Animal Day, YWT-T launched a thoughtful video project. Employees and their families were encouraged to capture footage of their pets, contributing to a film aimed at raising awareness about the importance of animal protection. The initiative highlights the positive impact of pets on our well-being and emphasizes the collective responsibility to safeguard the welfare of animals.



AFRICA

Yazaki Kenitra spread assistance to distant village

Yazaki Kenitra (YMO-K) organized the delivery of 250 food baskets over a 500-kilometer journey to the Ouanskra village nestled in the Atlas Mountains. Collaborating with students from the Lions Club at Al Akhawayn University in Ifrane, YMO-K colleagues distributed these essential goods to families in need during the holy month of Ramadan. The heartwarming reception by villagers, particularly the children, deeply touched the Yazaki team and volunteers, overshadowing the challenges of the lengthy journey. The visit extended beyond food distribution, involving celebrations with children in schools and the renovation of specific areas within the village.



Meknes, support children with special needs



Morocco, healthcare initiative



Kenitra, assistance to distant village

Yazaki Morocco promotes education through schoolbook sharing initiative

In an effort to underscore the importance of education and facilitate learning for local children, employees at Yazaki Morocco in Tangier (YMO) initiated a schoolbook sharing and exchange program, extending the impact by distributing additional educational supplies, including school bags. This social endeavor not only demonstrated the company's commitment to the community but also exemplified the values of unity and giving back.

Yazaki Meknes contributes to supporting children with special needs

Yazaki Meknes (YMM) received recognition from the local Rotary Club for its robust partnership in providing essential resources for children with special needs. The acknowledgement specifically highlighted YMM's sponsorship of the Annaim Center in June 2022. During the event, representatives from the plant were honored, and wheelchairs and medical equipment were donated to the Annaim Association, benefitting pupils in the M'haya village of Meknes prefecture.

Yazaki Morocco sponsors healthcare initiative for underserved families

In a commitment to improving healthcare accessibility, Yazaki Morocco sponsored a significant campaign on December. Located in a village near Khenifra, approximately 600 patients from financially disadvantaged families received complimentary medical checkups, along with boxes of essential medicines. This impactful initiative was orchestrated by the Lions Club of students from Al Akhawayn University in Ifrane, in collaboration with the Faculty of Medicine in Fez and local authorities. Over 80 volunteers, including doctors, organizational staff, and students, joined forces to provide essential aid, reinforcing Yazaki's dedication to community well-being.

For a more detailed overview of our community engagement activities, please consult sections 8. No poverty and reduced inequalities and 15. Sustainable communities.

BUSINESS SPHERE



12. RESPONSIBLE PRODUCTION AND CONSUMPTION

Responsible consumption and production stand as integral pillars for businesses committed to sustainable practices as it involves compliance with product quality and safety requirements minimizing waste, adopting eco-friendly production methods, implementing circular economy models and ensuring the ethical sourcing of materials.

The increasing demand for energy management in electric cars and reduction of CO₂ emissions in vehicle fleets introduces new potential opportunities. Simultaneously, adapting to a growing number of sustainability requirements becomes imperative to maintain competitiveness in an evolving business landscape.

Y-EMEA remains its dedication towards responsible and more sustainable production approaches as a central strategic pillar for the future.

SUPPLIER MANAGEMENT

Material topic: *Management of Relationships with Suppliers; Workers in the Value Chain; Communities' Rights, Impact on the Ecosystems*

The role of our supply chain is paramount in advancing Y-EMEA strategy and ambitions. Our network of suppliers, providing both production and non-production goods and services, constitutes an indispensable component of our business framework, facilitating our ability to supply to a diverse global customer base. Y-EMEA strategically sources parts and materials for its products from a multitude of suppliers, encompassing both domestic and international entities within and beyond the European borders. This intricate supply chain plays a vital role in ensuring the seamless flow

10,000+
active suppliers

Key commodities


- > Bulk
- > Connection systems
- > Electronics & Instrumentation
- > Equipment
- > Raw materials
- > Routing
- > Services and other indirect commodities

of resources essential for our operations, underscoring the strategic significance of our supplier relationships in sustaining our commitment to global customer satisfaction.


The EMEA sourcing process, facilitated by Yazaki Corporation's Global Supply Chain Management, aims to identify capable partners for new programs. Product Quality Planning practices are implemented with suppliers to support product engineering, utilizing techniques like Supplier Risk Management to assess financial stability and ensure a continuous supply. The efficacy of these practices was tested during the COVID-19 pandemic and amid recent geostrategic risks.

To mitigate high logistics costs, efforts have been made to localize the purchasing of parts, although this is a complex task that our purchasing and logistics teams are gradually addressing. This development not only impacts the company, but also contributes to reducing the carbon footprint and fostering local economic development in communities surrounding operations.

Y-EMEA has carefully considered societal expectations, relevant laws, regulations, and industry standards, leading to the revision of the "Supplier Code of Conduct." The purpose is to provide greater clarity and reinforcement of expectations and requirements for suppliers concerning environmental, social, and governance-related risks.

 The updated ***Y-EMEA Business Partner Code of Conduct***, effective since June 2023, delineates the expectations and minimum requirements for our business partners, essential for maintaining a successful collaboration with Yazaki. This includes responsible business practices, social responsibility and respect of human rights associated to workforce and communities, as well as protection of the environment and ecosystems. Suppliers are requested to sign and confirm their understanding, sharing, respect, and adherence to this code provisions.

We anticipate our business partners to not only adhere to these guidelines, but also to effectively communicate them to their employees, directors as well as their direct suppliers. Moreover, we expect suppliers to appropriately cascade these expectations and minimum requirements throughout the entire supply chain. This approach is crucial to ensuring compliance and fostering a commitment to responsible and ethical business practices across all levels of our partnerships.

 Yazaki has in place the ***Yazaki Global Responsible Mineral Policy*** to avoid the use of minerals derived from all human rights violations including child labour and other social issues in high-risk areas (CAHRAs-Conflict Affected and High-Risk Areas), including the Democratic Republic of the Congo and adjoining countries.

Based on this policy, we strive to fulfill our responsibilities as a company by responding to the growing social demand for procurement, such as the Dodd-Frank Act in the United States, the EU Conflict Minerals Regulation, and the OECD Due Diligence Guidance for Responsible Business Conduct. Specifically, in cooperation with suppliers we investigate smelters which produce the minerals (i.e., tin, tantalum, tungsten, gold and cobalt) used in our products and promote initiatives to use



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"Sustainability and carbon reduction are additional complexity layers for all stakeholders which need to be considered in the sourcing process from various perspectives. Training the teams and enabling them to take the right decisions by implementing respective tools is a process we kicked already off some time ago, but we are refining and completing it alongside with the evolution of the topic in the industry. It's an enormous challenge but a great opportunity at the same time to generate a competitive advantage while doing something good for the environment. Very compelling activities for everyone involved."



Roland Wittmann
Head of Purchasing EDS



smelters that comply with the audit program of the Responsible Mineral Initiative (RMI), that is an international organization that promotes responsible mineral procurement. Also, as a member of the RMI, we cooperate to its promoting activities of responsible mineral procurement. Yazaki fills in the Conflict Minerals Reporting Template from RMI at Group level.

Every supplier registered with the Yazaki systems undergoes a comprehensive financial risk assessment, incorporating social criteria. Furthermore, our leadership team conducts a qualitative assessment

of the overall risk to the Y-EMEA Purchasing Organization. Consequently, we meticulously observe and evaluate risks across various classes, encompassing environmental and corporate social responsibility aspects. Y-EMEA has instituted various documents such as self-assessment questionnaires as part of our Business Partner Code of Conduct, SoC (Substance of Concern), Conflict Minerals and YNCA Risk Management to assess financial, legal and governmental stability to ensure Y-EMEA's sustainable purchasing strategy in the value chain.

In the evaluation of potential new suppliers, Y-EMEA conducts on-site audits through the Supplier Quality and Development team to ascertain adherence to Yazaki's requirements. This rigorous process ensures alignment with our established standards and principles.

ENVIRONMENTAL PRODUCT COMPLIANCE

Material topic: *Pollution and substances of concern*

Y-EMEA employs a systematic approach to ensure Environmental Product Compliance, managing various environmental product requirements.

Substances of Concern (SoC) are crucial in the automotive industry, impacting the entire value chain. As the sector prioritizes sustainability, identifying and managing hazardous substances is essential to ensure environmental product compliance and protect human health. Our products adhere to strict regulations on SoC, mitigating environmental impact, protecting public health, and meeting legal and customer requirements.

We actively work to identify SoCs in our products and implement alternatives to reduce the hazardous substances in our products.

Our focus lies in selecting materials and suppliers that are aligned with legal and customer requirements. We use tools like the International Material Data System (IMDS) to monitor parts and materials and we conduct SoC tests.

This comprehensive approach underscores our proactive management aligned with industry best practices, customer and regulatory requirements, and the commitment to responsible business standards.



NEW YAZAKI SYSTEM (NYS)

Material topic: Corporate culture

NYS POLICY

Top-down activity

Passion of the company top encourages the employees

Activity with full participation

Participation of entire Yazaki Group including Development/ Sales/ Production-Administrative and control Division, President, designers, operators and office workers

Establishment of business structure of continuous improvement

Establish a human resources development system that can improve the current situation to meet the external change

NYS

NYS TRIANGLE – THE PHILOSOPHY OF YAZAKI

- QCD BM Monitoring
- Plant strategy
- GPMS

Y-EMEA Growth
As Yazaki, right management and growth of management

EFFICIENCY GROWTH

CONNECTING TO YAZAKI WAY

- Jishuken
- NYS University
- NYS Promotion License
- NYS Conference

NYS ACTIVITY

QCD Stretch Challenge
As Yazaki, right Kaizen activity and growth of coaching staff

- Capability KPI
- MOTO activity
- 7level activity

MOTO

QCD Budget Achievement
As Yazaki, implementation of common sense and growth of human

BASED ON YAZAKI WAY

The NYS is a philosophy and process of Yazaki's wide reform to meet the increasing demands of car makers for Q (Quality), C (Cost) and E (Environment). To maintain competitiveness and survive in the market, Yazaki must be able to meet customer requirements while adhering to a cost-effective approach and for that, we must establish new methods. As illustrated by the NYS Triangle above, the ultimate objective is to guarantee Y-EMEA's efficiency growth.

The New Yazaki System cannot be defined as a task or activity. It's a mindset, the Yazaki way to work and to behave. All Yazaki members should apply it, considering it on daily business life. The purpose is to contribute to continuous company improvement and ensuring the company's long-term viability.

The Y-EMEA Production Consulting Center (PCC) is actively reinforcing the New Yazaki System (NYS) by prioritizing Human Asset Development driven by the belief that knowledge dissemination contributes to future success. The launch of the NYS University

aimed at enhancing Kaizen promotion skills, content and concept of NYS University considering initial NYS knowledge and its implementation status across Y-EMEA. Throughout the year, specialized in-house training programs have been created to address and enhance the specific skill gaps within the Y-EMEA NYS team located in our manufacturing plants. During the reporting year, the NYS University 2.2. session held in Türkiye (YOT) focused on Kanban (Japanese term that refers to visual system for managing workflow and production processes) and problem solving, with 32 participants and coaches from Y-EMEA plants, bringing the total number of trained employees to over 100. This initiative ensures that employees are well-



equipped to generate the New Yazaki System independently and continuously. The application of NYS tools not only addresses current issues, but also uncovers and resolves latent ones, ensuring the delivery of high-quality output and

overall improvement in the company's condition. NYS skills empower employees to identify and address their own task-related challenges, fostering a continuous improvement process that indirectly enhances the quality of the end products.

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"At the core of our NYS approach is the belief that developing human asset is foundational. Tailoring NYS practical training modules to address specific Y-EMEA regional needs and meticulously assessing the NYS level status per plant presented a formidable challenge. However, the success we have measured in significant development is a testament to the effectiveness of these customized trainings, finely tuned to meet the unique demands of our Y-EMEA region with fruitful diversity. Our unwavering focus on this approach in the last term will persist, with anticipated tangible contributions to company goals in the upcoming terms, a direct outcome of our commitment to NYS human asset development through customized, Y-EMEA region specific training."



Ezgi Fuchs
Sr. Manager, CF NYS Promotion



<p>NYS Conference</p> <p>17 Plants</p>	<p>Practical Training: NYS University</p> <p>100+ NYS University participants</p> <p>21 Plants and 4 affiliates</p> <p>60 Practical implementation</p>
<p>Jishuken Activity¹⁰</p> <p>140 Trained members</p>	<p>Kaizen Promotion Activity</p> <p>Plant Kaizen Submission Ratio from P81 (2021) 98% to P82 (2022) 99%.</p> <p>247 Kaizen submitted from plants</p> <p>26 Kaizen submitted to YC</p>

¹⁰ The Jishuken is a core Yazaki Management System, that transfers knowledge of the NYS.

QUALITY

Material topic: Personal safety of consumers and/or end-users

Y-EMEA aims to be recognized as the "Best-in-Class" supplier of Electrical/Electronic Distribution Systems, Components, and Instrumentations, aspiring to be a global benchmark and the preferred choice for both customers and individuals. The company places a strong emphasis on continuous improvement and product innovation to achieve these goals.

Yazaki maintains various management systems across all its affiliates in accordance with internationally recognized standards for automotive quality, environmental requirements, and health & safety.

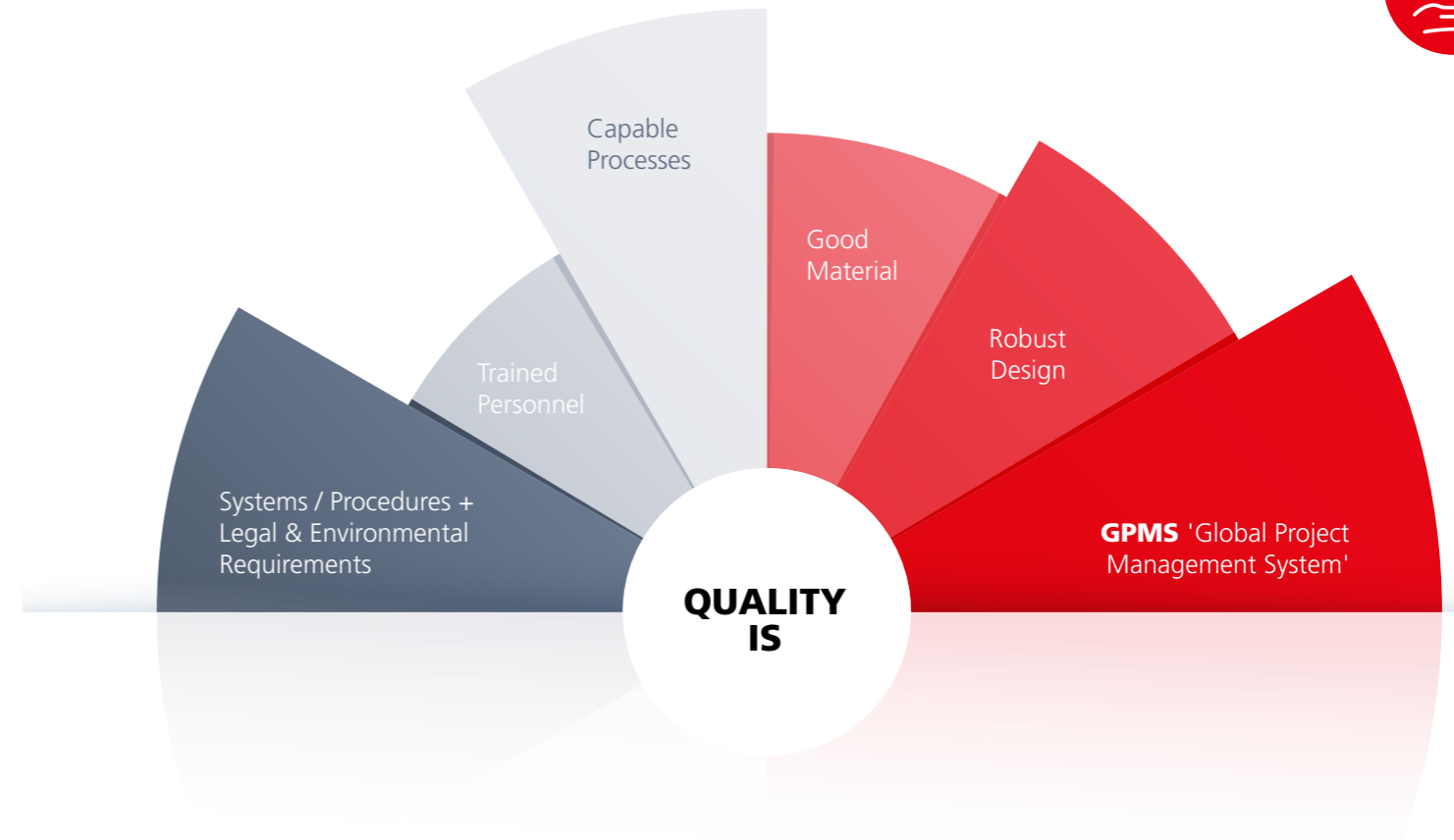
Quality, according to Yazaki, involves meeting customer and applicable statutory and regulatory requirements, addressing risks and opportunities, and maintaining a focus on enhancing customer satisfaction through robust project management, design, materials, processes, and competencies.

The company employs a PDCA (Plan-Do-Check-Act) cycle with a risk-based thinking approach for continuous improvement. This involves understanding and

consistently meeting customer requirements, adding value to processes, achieving effective performance, and improving processes based on data and information evaluation. To streamline operations and ensure consistent performance measurement, Yazaki operates under a Business Operating System (BOS) principle.

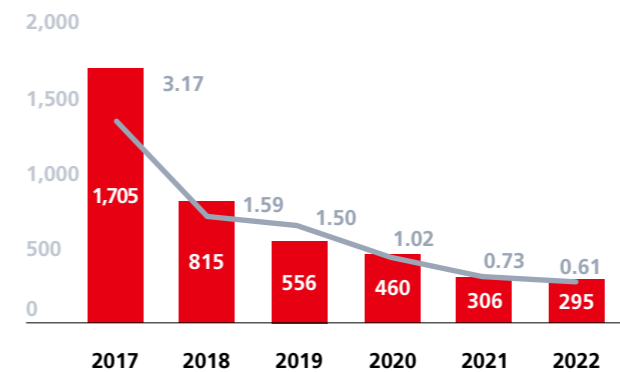
Our approach provides a common platform to effectively manage all Yazaki business requirements and promotes standardization within the organization and between different Business Units, ensuring a common method for measuring business performance.

Our operations strictly adhere to Global Quality Standards. Over the years, we have cultivated a suite of tools and systems dedicated to prevention, quality control, and continuous improvement. This encompasses a Global Project Management System for product development, a comprehensive Global Quality Reporting System, quality improvement plans, internal knowledge-sharing initiatives, and quality control circles, stringent testing protocols and continuous monitoring for potential defects, among other instrumental tools.



Substantial advancements have been achieved over the years, sustaining a positive trajectory. In comparison to Business Year 2017 (P77), there has been an impressive 83% reduction in the number of customer claims and an 81% enhancement in our quality ratio in P82 (2022). Additionally, when compared with the previous year, we have obtained a 4% reduction and a 16% improvement in these metrics, respectively.

Key Quality Indicators



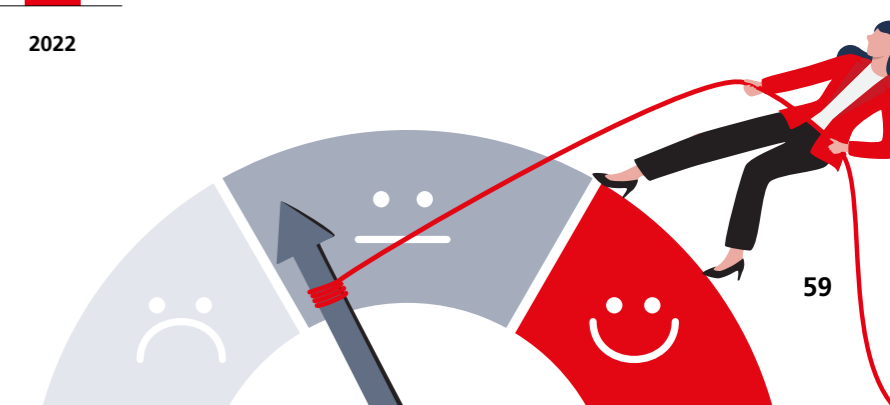
■ Customer claims no. (official and non-official)
■ Quality ratio (customer claims no./100,000 man-hours)

The Quality Control Circles (QCC) competition

The Quality Control Circles (QCC) competition '22 edition showcased the dedication of all Y-EMEA plants to quality improvement activities with a record-breaking of 165 QCC topics submitted. The winning projects were "eliminated damaged terminals in cutting machines" and "reduction of alpha waste in the heat shrink process". The live jury, including top executives, presented the awards, qualifying YMO-K and YOT-G for the 27th Yazaki QC Circle International Presentation.

Celebration of World Quality Day

Yazaki actively embraces the significance of quality. Y-EMEA participates in the World Quality Day celebrations through various initiatives across regions. This year's theme, "Quality conscience: doing the right thing," reflects on how corporate culture and conscience impacts an organization in making decisions and "doing things right" for all stakeholders.



WASTE MANAGEMENT

Material topic:
Waste management, Pollution

Effective waste management contributes to boosting operational efficiency and cost-effectiveness. The reduction of waste through recycling and sustainable consumption practices not only contributes to resource conservation, but also helps mitigate environmental impact, all while cultivating a positive public image for the business.

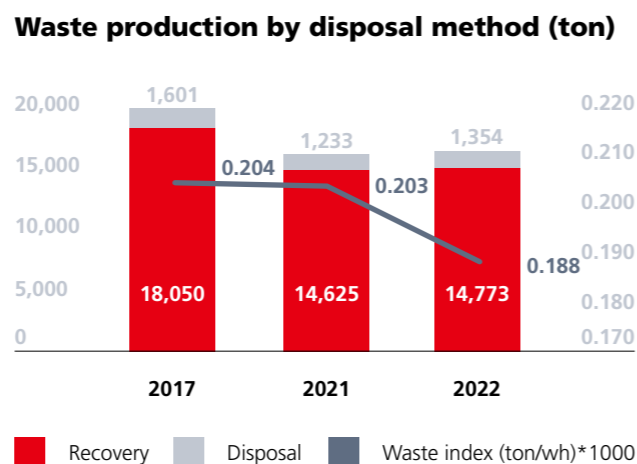
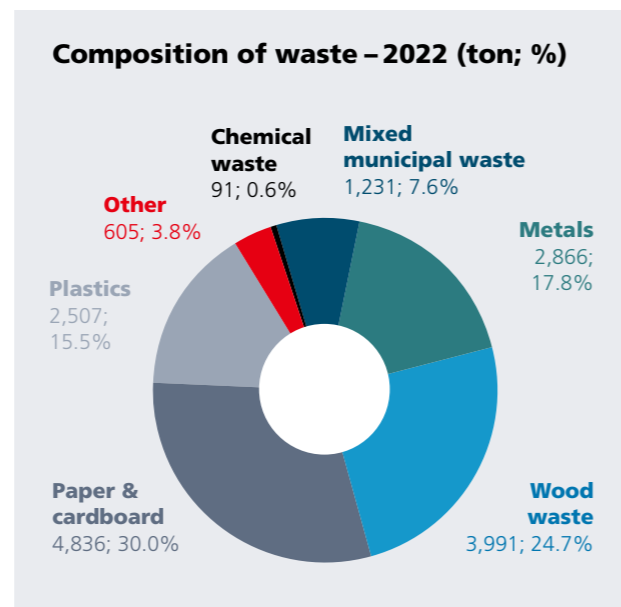
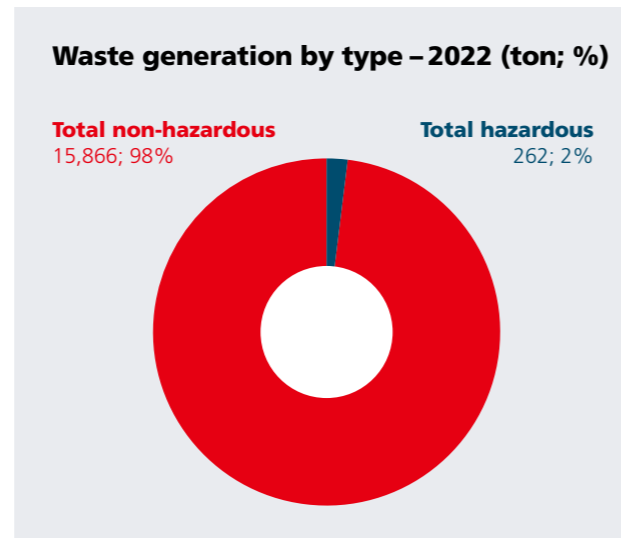
Our operations result in diverse types of waste. Each plant manager collaborates with the local EH&S team to ensure the establishment of an internal waste management process that complies with relevant Yazaki and legal regulations. To achieve this, a waste avoidance perspective is conscientiously incorporated into the planning of various work activities and processes, coupled with the promotion of environmental education for all employees. Additionally, Y-EMEA actively implements initiatives promoting a Reduction, Reuse, and Recycling Policy to significantly decrease landfill rates.

Every plant provides a monthly comprehensive report detailing the quantity and categories of generated waste. We have set annual targets for reduction of landfill to zero at all manufacturing sites. The methods for recycling and recovery undergo audits as integral components of our ISO 14001 Environmental Management System.

Throughout the business year, Y-EMEA manufacturing facilities and offices collectively generated approximately 16,127 tons of waste, with 98% classified as non-hazardous. In absolute terms, this signifies a 18% reduction and due to business recovery a 2% increase compared to Business Years 2017 and 2021, respectively.

Throughout the year our waste recovery rate remained at 92%, underscoring our commitment to sustainable practices, and the disposal rate at 8%.

Other environmental aspects of performance associated to responsible production and consumption may be found on next chapters.



13. INNOVATION AND INFRASTRUCTURE

Material topic:
Climate Change; Energy; Circular Economy and Waste Management

Our business acknowledges the critical role of innovation as a primary catalyst for business growth, emphasizing investments in resilient infrastructure at our operational sites and the potential revamping of existing structures for enhanced sustainability. Innovation is indispensable in confronting urgent global challenges, including climate change, resource depletion, and environmental degradation. It assumes a pivotal role in shaping a sustainable future by facilitating the products design and manufacturing with a diminished ecological footprint, thereby promoting a more circular and resource-efficient economy.

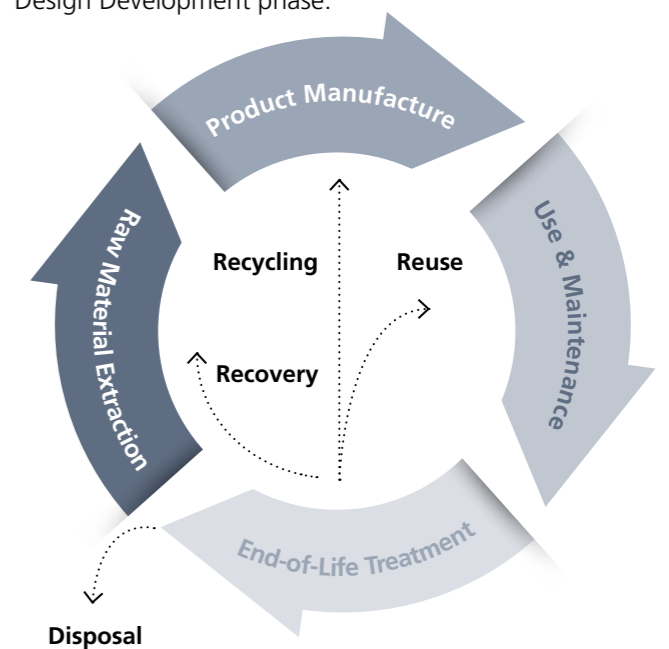
Our commitment is evident in the ongoing endeavors to refine our products and modernize our infrastructure, with a particular focus on resource-use efficiency and the adoption of clean and environmentally sound technologies and industrial processes. Embracing innovation in both product development and infrastructure not only addresses present environmental concerns, but also charts the course for a more resilient and future-ready business.

Y-EMEA is systematically identifying opportunities to cultivate ideas and subsequently transform them into innovations.

INNOVATION AND DESIGN FOR ENVIRONMENT

Y-EMEA integrates the Design for Environment (DfE) approach, emphasizing early and systematic consideration of environmental aspects and requirements during product development to minimize the negative impacts of products on environment. DfE rules guide a multidisciplinary team in assessing the environmental impact of design throughout the product life cycle. New product objectives include enhancing reusability, recyclability,

recoverability, and reducing substances of concern. The DfE procedure serves as a tool for design engineers to meet environmental requirements and minimize adverse environmental effects. Implemented since 2009, this procedure is updated regularly in response to legislative changes. DfE is part of the Global Project Management System since Design Development phase.



PRODUCT CARBON FOOTPRINT

Y-EMEA is taking steps to advance towards its ambition of achieving carbon neutrality by 2039, driven by our dedication to supporting our customers' sustainability aspirations and the targets outlined by the European Union.

As our automotive customers increasingly set forth requirements related to product carbon footprint, we have taken a proactive stance. During the Business Year we developed a collaboration with an external consultancy firm to embark on a pilot project aimed at formulating a methodology for calculating the carbon footprint of our products, in accordance with the BS EN ISO 14067:2018 standard: *Greenhouse gases. Carbon footprint of products. Requirements and guidelines for quantification.*



Research Pillars for Circular Economy

Green materials

Recycling – Renewable feedstock

Revitalizing – Bio-based with low carbon footprint

Green processes

Demand-oriented

No toxic waste

Renewable energy

Form to function

Efficiency

Reliability

Function specific – modularity

Sustainable product use

Less toxicity

Durability

Safety

Low environmental impact

Lifetime maximization

Remanufacturing

Repurposing

Refurbishing

Reuse & Repair

Main highlights of the pilot project

The pivotal insights gained from this process, specifically examining Wire Harness, Junction Box, and Meter products, have illuminated the breakdown of carbon footprint across various stages. Notably, raw materials constitute the major portion, ranging from 72% to 82%. In response to these findings, our strategy involves collaborating with suppliers to undergo carbon reduction measures associated to the raw materials we purchase, including the use of recycled and bio-based materials.

Additionally, we aim to reduce the carbon footprint of our product portfolio by designing components for maximum lifespan, enhancing durability, reliability and applying miniaturization strategies to optimize material usage while maintaining functionality and quality.

Simultaneously, efforts are underway to minimize our manufacturing footprint. This entails leveraging green electricity where available, enhancing process efficiency, and reducing resource consumption

Scope of the study

Cradle-to-gate: From raw material extraction to transportation of final product to our Distribution Centre

Products selected

1 Wire Harness

1 Junction Box

1 Meter

Product	Wire Harness	Junction Box	Meter
Approx. weight	0.5 kg	4 kg	1 kg
Main materials used	Copper, Plastics, Rubber	Electronics, Copper, Plastics	Plastics, Electronics
Carbon Footprint Breakdown			
Raw materials	72%	82%	75%
Manufacturing	19%	11%	20%
Transport	9%	7%	5%
Product Carbon Footprint	3.5 kg CO ₂ eq	26.9 kg CO ₂ eq	13.4 kg CO ₂ eq

and waste generation. Transportation-related emissions will be addressed through collaborative initiatives with logistics partners to optimize routes and employ greener transportation modes as much as possible, such as electric vehicles, while minimizing road transport in favor of more sustainable alternatives like short sea, inland water way, rail and multimodal.



"Our daily efforts contribute significantly to achieve Y-EMEA decarbonization ambitions and boost our company performance – a truly rewarding experience. The customer requests in P82 became progressively challenging, compelling us to surpass expectations. Looking ahead to P83, we anticipate consolidating activities and embracing exciting new challenges in our ongoing pursuit of excellence."



Tiago Valente
Connectivity & Innovation
Engineering Sr. Manager

CIRCULAR ECONOMY

One of the pivotal milestones outlined in our decarbonization roadmap is the incorporation of 50% recycled materials into end-customer products by 2035. To realize this ambitious goal, Y-EMEA has instituted an internal cross-functional working group dedicated to implementing a circular economy approach throughout the company.

Research and Development (R&D) here stands as a cornerstone in this endeavor, actively identifying innovation opportunities through new product conception, design, sustainable materials, and associated development of advanced manufacturing

systems with a focus on not just maximizing resource and product efficiency, but also extending the lifespan of our products. The related activities are divided under 5 research pillars as shown on the right.

Y-EMEA is determined in its ambition to include Circular Products within its portfolio, providing customers with a diverse range of sustainable and circular solutions. The research pillars encompass rethinking design, within the Circular Product Development & Management process in order to influence customers to choose circular alternatives, facilitating the implementation of circular business models at the same time while creating an extensive value network for the successful execution of a circular strategy.



"The team of Innovation Management has been spearheading a number of R&D topics in the area of Sustainable/Circular Products since the beginning of P82, undertaking the related product and technology developments to bring forth novel circular product solutions that facilitate circular strategies like Reuse, Repair, Remanufacturing etc. The topics we pursue currently have seen increasing interest, even amongst customers (OEMs), and this encourages us to drive the related developments forward."



Nupur Choudhury
Project Lead Innovation Projects

Y-EMEA has formulated Circular Design principles to strategically guide our activities in the coming years.



REFUSE

- Refuse alternatives to product parts/modules which compromise product durability, safety & reliability
- Refuse not sustainable alternatives to product parts/modules viable only for a single-use life

RETHINK

- Disruptive designs for 'Upgradeable' & 'Repurposable' HV products
- Design for increased performance, durability, safety and reliability including utilization of Advanced Materials
- Accurate prediction & simulation of failures

REDUCE

- Reduce wastes associated with processing/manufacturing
- Reduce the extent of use of synthetic and toxic substances

REUSE

- Reuse parts/modules at the end-of-life of HV products
- Use returnable packaging

REPAIR

- Design for assembly, disassembly and reassembly
- Design modular parts to aid in ease of detection of damaged components and ease of repair

REFURBISH

- Product ReDesign for refurbishing
- Advanced manufacturing technologies for refurbishing

REMANUFACTURE

- Product ReDesign for remanufacturing
- Advanced manufacturing technologies for remanufacturing

REPURPOSE

- Repurpose parts/modules at the end-of-life of HV products

RECYCLE

- Improve the waste recycling rates in our operations (at site level)
- Use metallic and non-metallic materials with higher recycled content
- Use bio-based recyclable materials for different applications

RECOVER

- Establish Circular Business Models such as 'Hardware as a Service' to support recovery of HV products from customer/end user
- Extract selected material groups from product scraps for possible further utilization



RE
RE
RE

Collaboration with research partners in the field of biopolymer development

In view of increasing demands for biopolymer for varied applications, including those of high-performance applications, R&D collaboration is being planned to be initiated with research partners like NMF (Neue Materialien Fürth GmbH) in Germany for the development of different reinforced biopolymer composites. Development of associated material processing technologies is also foreseen as part of this collaboration.

Collaboration with Formula Students Dynamics E.V

Given the growing emphasis on design performance, particularly in terms of lightweight construction, efficiency, and fail-safe design, our Innovation Management team based in Regensburg has initiated a collaboration with the Formula Students Dynamics E.V. team. Design and development of new and improved wire harness architectures and system components are foreseen herewith.

Thesis activities in the direction of sustainability and sustainable product design

To support the development of circular product design solutions, thesis activities have been initiated also by our Innovation Management team in Regensburg. These include not just (Re)Design of current-day products but also research into prospective green material applications for automotive wire harness components. As a first, a study into the materials being currently used in the automotive wire harness industry along with their prospective green material alternatives has been undertaken providing a basis for follow-up tasks or future R&D projects.



CASE STUDIES

1 Reduce the use of virgin materials – cable channel with 100% recycled material

In response to a customer's request, Y-EMEA seized the opportunity to develop a cable protector for their wire harnesses exclusively from recycled material, specifically PP-TD20. During the Business Year, Y-EMEA successfully supplied our customer with 375,500 parts. This initiative not only enabled to give a second life to a material that was used once before, reducing the amount of virgin plastics used.

2 Refuse toxic materials – connector holders made from bio-based material

Using the capacity currently installed in Y-EMEA for 3D printing, an exciting project was started during the Business Year (P82). We are currently producing connector holders using PLA (Polylactic Acid) bioplastic – a biodegradable, compostable, and eco-friendly material.

These connector holders, non-technical parts essential for constructing jig board panels in wire harness assembly, contribute to reduce the amount of synthetic and non-biodegradable substances used at Y-EMEA. Moreover, the localized production of these parts across all manufacturing sites with 3D printers minimizes transportation impacts. During P82 alone, over 40,000 parts have been successfully manufactured using PLA material.

SUSTAINABLE INFRASTRUCTURES

Sustainable infrastructures play a pivotal role in not only minimizing our environmental impact, but also in enhancing operational efficiency, resulting in significant cost savings and optimal resource utilization. These infrastructures position us to navigate evolving market trends, regulatory landscapes, and the expectations of our customers. By seamlessly integrating sustainability into our infrastructures, we contribute not only to the well-being of the planet and local communities, but also strengthen the resilience and competitiveness of our business on a global scale.

Throughout the reporting year, Y-EMEA remained committed to creating environmentally friendly buildings in alignment with our sustainability ambitions. We developed a comprehensive Construction Standard, serving as a framework for sustainable construction during the planning phases of new sites and existing site renovations. This standard has been internally disseminated, providing clear guidance for our construction initiatives.

Our focus extended to achieving an EDGE Advanced certificate for YMM2 plant development in Meknes, Morocco. EDGE ("Excellence in Design for Greater Efficiencies") is an international green building certification system. This impressive accomplishment, achieved before closing the report edition, visibly demonstrates our commitment to sustainable buildings.

The forthcoming Egypt plant development will adhere to the established Yazaki Construction Standard, featuring solar panels on the roof, and we aim to secure an EDGE Advanced Certification for this facility as well.

In line with our decarbonization ambitions, ongoing initiatives involve identifying suitable areas within our plants for the implementation of solar panels, with a specific project initiated in Arad, Romania. Looking ahead, we will place heightened emphasis on the selection of refrigerants in our cooling systems, prioritizing options with lower Global Warming Potential (GWP) whenever feasible.

SOLAR

Solar panels in Morocco

Since beginning of 2022, Y-EMEA embarked on a transformative initiative to harness photovoltaic technology for sustainable energy production. The installation of 1,296 solar panels on the roof of our second plant in Meknes (YMM2) marked a significant milestone in this venture. By September 2022, the initiative concluded with an impressive annual production capacity of 1,104 MWh, contributing to the use of green energy, substantial reduction in carbon emissions, and a noteworthy decrease in the energy bill.

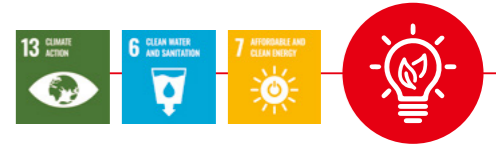
These solar panels have generated an impressive 400,800 KWh of green energy in six months, equivalent to avoiding 272.5 tons of CO₂ emissions. Notably, electricity consumed by YMM2 is now exclusively sourced from these solar panels during sunny hours. During the implementation phase, 25% of the electricity consumption was met by the solar panels, showcasing their efficacy even during winter and spring. The financial impact is substantial, with a savings of 40,000 Euros realized within the first six months of the project.

This approach underscores our commitment to sustainable practices, making significant strides in both cost savings and environmental responsibility.



Morocco, solar panels on the building

ENVIRONMENTAL SPHERE



14. ENVIRONMENTAL SOUNDNESS

CLIMATE ACTION, CLEAN WATER AND ENERGY

Material topic:
Climate Change, Energy, Pollution

 Y-EMEA is steadfast in its commitment to key principles outlined in [the Environmental, Health, and Safety Policy](#), embracing a proactive stance to ensure compliance with environmental laws and other relevant requirements. This commitment extends to preventing pollution and consistently improving our environmental performance through the adoption of cost-effective practices, seeking to eliminate, minimize, or mitigate environmental impacts. Every employee, contractor, and visitor share the responsibility of upholding this policy.

All manufacturing sites in operation have successfully maintained their Environmental Management Systems (SGA) certification under ISO 14001.

Several environmental performance indicators are diligently monitored on a monthly basis per manufacturing site and yearly per office.

This practice ensures a thorough assessment of Y-EMEA's eco-efficiency. Based on the performance results, we develop action plans to further enhance our environmental performance, underscoring our commitment to ongoing improvement and sustainable practices.

Our unwavering dedication to sustainability is reflected in our carbon emission ambitions. Y-EMEA has set ambitious goals to achieve carbon neutrality by 2039. These aspirations span all our sites and our entire value chain, encompassing the lifecycle of assets and products from design to end-of-life.

To realize these ambitions, we have developed a comprehensive strategic roadmap for the coming years. This roadmap aims to significantly reduce carbon emissions, with a focus on transitioning to renewable electricity sources within our operations, collaborating with suppliers and freight forwarders to identify CO₂ reduction opportunities, and incorporating sustainable and recycled materials.

Our carbon emissions reduction ambitions are described on [section 6. Strategy – Sustainability ambitions](#).

CARBON NEUTRALITY

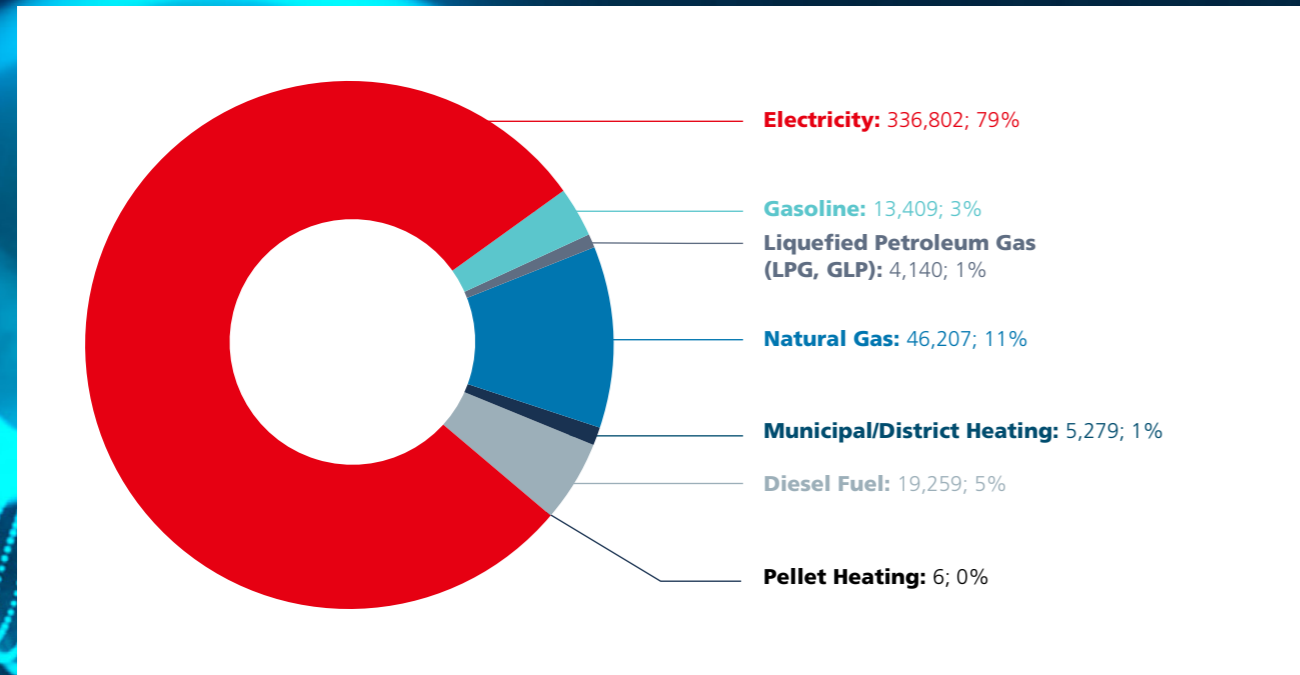
2039



ENERGY CONSUMPTION

Our total annual energy consumption comprising manufacturing sites and offices was 425,103 GJ in Business Year 2022¹¹ (a 20% and 3% reduction comparing to Business Year 2017 and 2021, respectively). Electricity power is the main energy type we consume in our operations, representing 79% of our energy footprint.

Energy consumption 2022 (GJ, %)



Total energy consumption by type (GJ)

	2017	2021	2022	Var. 22-17	Var. 22-21
Diesel Fuel	44,364	20,036	19,259	-57%	-4%
Electricity	396,256	325,725	336,802	-15%	3%
Gasoline	8,691	10,799	13,409	54%	24%
Heating Oil	199	0	0	-100%	-
Liquefied Petroleum Gas (LPG, GLP)	2,097	2,943	4,140	97%	41%
Municipal/District Heating	4,725	8,910	5,279	12%	-41%
Natural Gas	72,695	67,849	46,207	-36%	-32%
Pellet Heating	0	3	7	-	92%
Total energy consumption	529,027	436,265	425,103	-20%	-3%

Throughout the Business Year, our electricity consumption totaled 93,556 MWh, reflecting a 15% reduction compared to Business Year 2017. Despite experiencing a 3% increase in overall electricity consumption from the previous year, attributed to the resurgence in business activities post-pandemic, our consumption intensity, calculated in working hours, has diminished by 11% against P81 (2021).

¹¹ Business Year 2022 figure doesn't include Russian sites due to response to the sanctions imposed by the EU against Russia following Russia's war of aggression against Ukraine.

In response to the global energy crisis and its impact on prices affecting both consumers and businesses during the reporting year, Y-EMEA has proactively addressed the situation by issuing an Energy Saving Guideline, providing comprehensive guidance to all locations on bolstering energy efficiency and curbing environmental impacts.

While our current energy mix includes renewable sources, we remain dedicated to increasing the share of green energy to align with our 2025 ambition. To achieve this ambition, we have conducted feasibility studies for solar panel installations and explored the existence of local suppliers of green energy, demonstrating our commitment to sustainable energy practices.

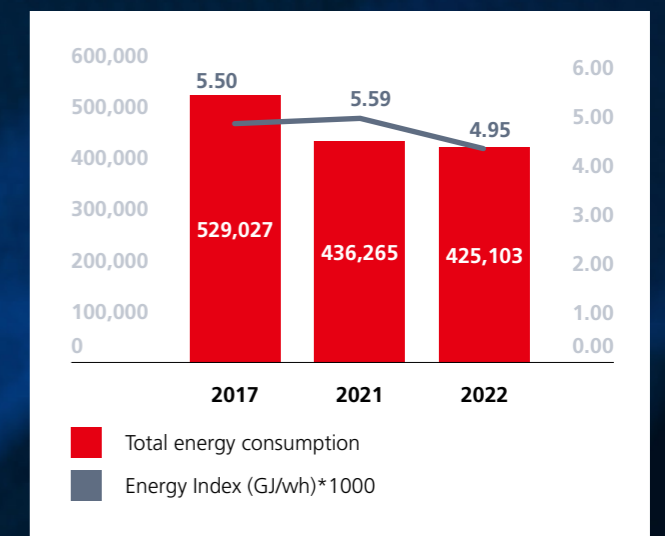
Recognizing the challenge of limited availability of 100% renewable energy providers in many countries, Y-EMEA has been investing for years in process efficiency enhancements and implemented eco-efficiency measures across multiple sites. Noteworthy initiatives include optimizing facility equipment and lighting, incorporating energy-efficient equipment, transitioning to LED lighting, installing motion sensors, and fostering employee awareness on turning off lights when not in use.

In the past three years, Y-EMEA has made substantial progress by investing in renewable energies, including the installation of solar panels and expanding contracts with green energy providers. Furthermore, efforts to reduce the company car fleet's carbon footprint include limiting purchased/leased cars to 180g CO₂/km and prioritizing hybrid vehicles. The company has also prioritized environmental awareness and education for employees, promoting responsible resource consumption behaviors.

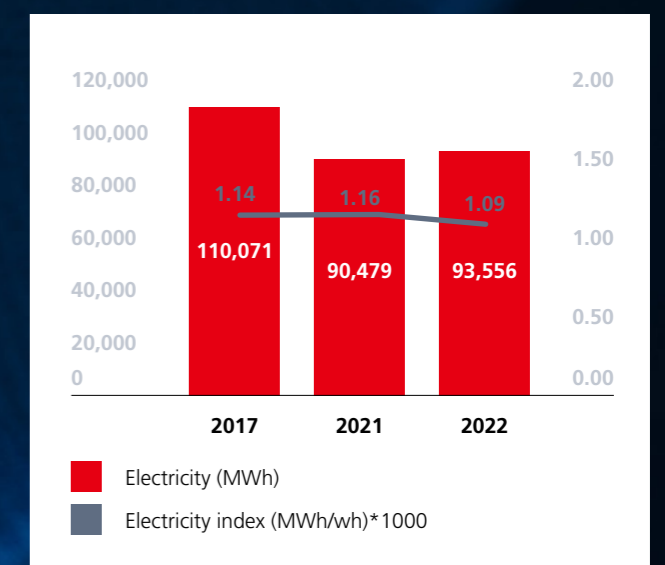
In addition to our centralized guidelines and corporate ambitions, we place great emphasis on acknowledging and respecting the local context of each plant within our operations. This approach is deeply ingrained in our sustainability strategy, as we empower local plants to engage in continuous identification of potential initiatives for energy reduction and, consequently, carbon reduction. While adhering to overarching principles, this decentralized process ensures that

ongoing, plant-specific efforts are undertaken to tailor strategies that align with local needs. This dynamic collaboration between centralized guidance and local empowerment reflects our commitment to a holistic and adaptive approach to sustainability, wherein each plant actively contributes to the ongoing pursuit of energy and carbon reduction initiatives.

Energy consumption (GJ)



Electricity consumption (MWh)





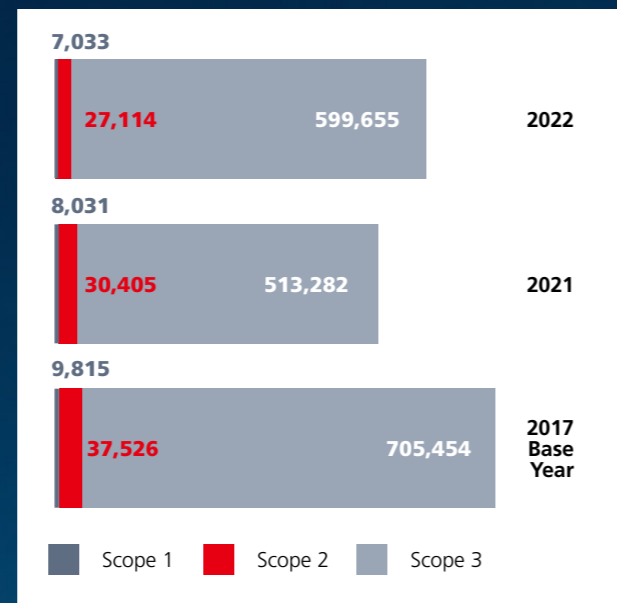
GHG EMISSIONS

We measure our annual corporate carbon footprint assessing emissions across scope 1, 2 and 3 in accordance with the GHG Protocol standards. This comprehensive approach allows us to thoroughly account for:

- > **direct emissions from our operations** associated to fuel combustion in buildings, our company's vehicle fleet and fugitive gases from refrigerants (Scope 1),
- > **indirect emissions from purchased electricity and district/municipal heating** (Scope 2) and
- > **a broad spectrum of indirect emissions** throughout our value chain (Scope 3).

During P82 we collaborated with an environmental consultant to start calculating our scope 3 emissions. This dedicated effort underscores our commitment to transparency, environmental accountability, and the ongoing refinement of our sustainability strategies to holistically address our carbon impact across all facets of our operations. Importantly, our commitment extends to continually enhancing the accuracy of our calculation methodology, particularly on the supply chain side – a relevant measure for sustained improvement in carbon footprint measurement and management.

GHG emissions by scope (tCO₂e)¹²

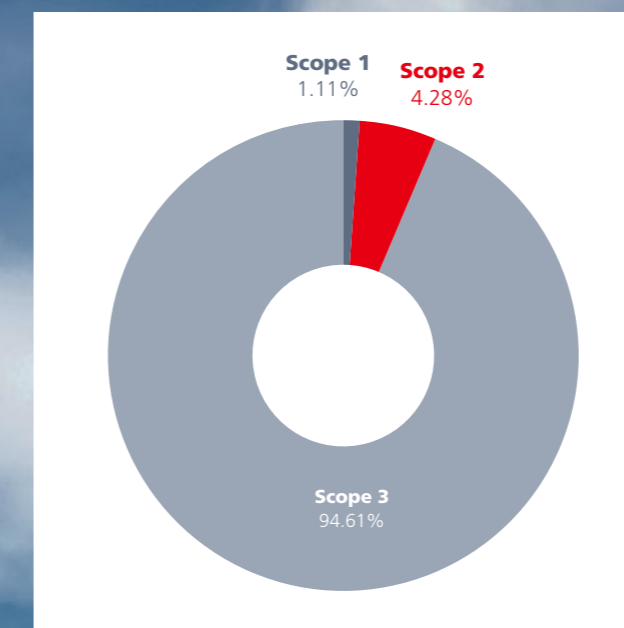


During the Business Year we observed a recovery in activity following the post-pandemic period. Overall, our emissions showed a 15% increase compared to the previous year but demonstrated a 16% decrease when compared to the baseline year 2017. Our scope 1 and 2 emissions totaled approximately 34,147 tCO₂e, constituting 5% of our carbon footprint.

The majority of our emissions, 95%, fall within Scope 3 with the majority of these emissions coming from two categories upstream, Purchased Goods & Services and Upstream Transportation and Distribution. We observed an absolute 11 and 28% decrease in our combined scope 1 and 2 emissions comparing to Business Year 2021 and 2017, respectively, due to green electricity introduction, the decrease of electricity consumption even with the activity recovery, and to the recalibration of the previous year's figure owing to an updated electricity emissions factor. In terms of emissions intensity per working hour, we recorded a 19% decrease for scope 1 and 2 comparing to Business Year 2021 and the baseline year 2017.

Regarding scope 3 emissions, we estimated a total of 599,655 tCO₂e, reflecting a 17% increase from 2021 but indicating a 15% reduction compared to the base year.

Y-EMEA Carbon Footprint (tCO₂e) – 2022



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“Over the last two years we have put in place a team within Central Logistics focusing on 'green activities'. Having said that in the first step we have concentrated our efforts on the measurement of what is Yazaki's contribution towards the GHG emissions trying to capture the status quo. We have developed with support of external parties our methodology to calculate the CO₂ emissions. Our main freight forwarders and logistics partners are now providing to us the CO₂ emission reports which we target to standardize soon into one template.

In parallel the team together with operational support looked for every opportunity to reduce our contribution in GHG emissions. This has been done in several areas of logistics activities: transportation, administration, external warehousing & distribution centers as well our internal operations within the manufacturing plants (internal logistics activities).

We have started our journey towards the zero emission ambition and continue our commitment to reduce year on year CO₂ contribution.”



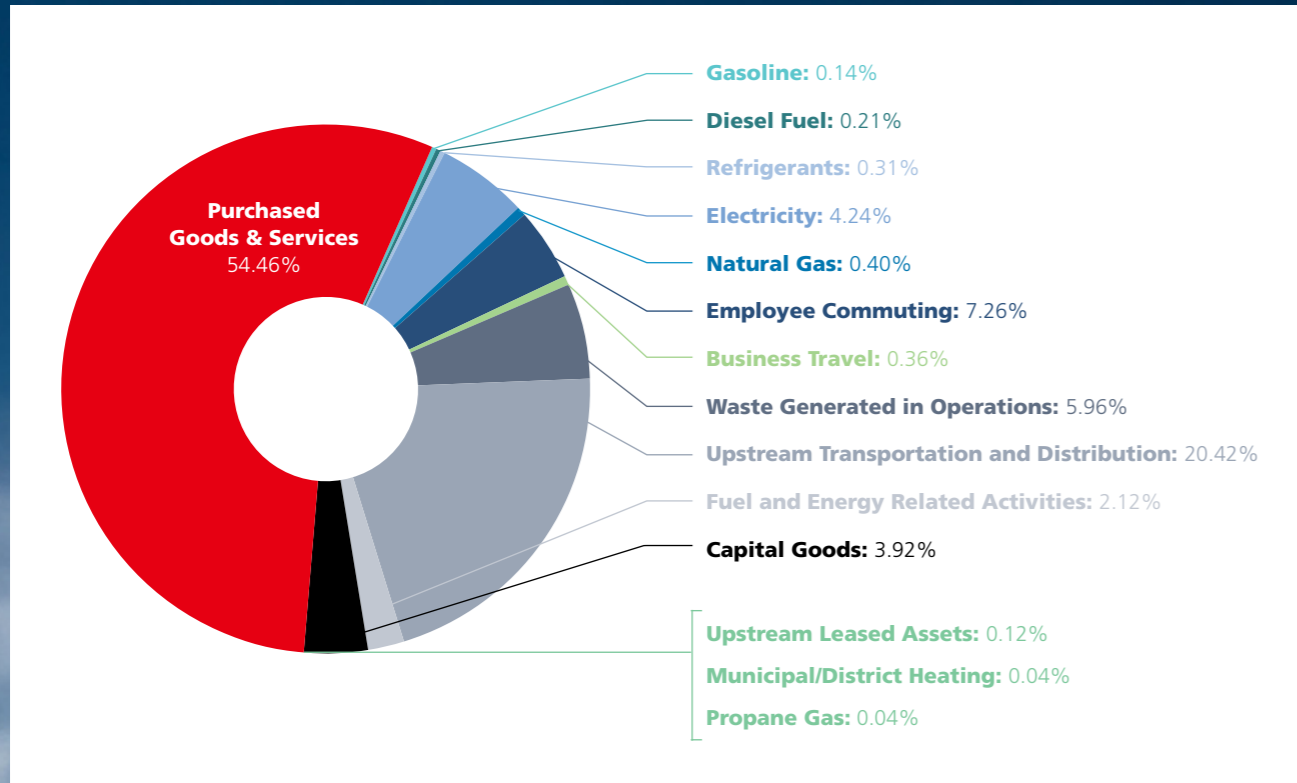
Adam Misiak
Head of Logistics Transport & Warehouse & Customs

tCO ₂ e	2017	2021	2022	Var. 22-17	Var. 22-21
Scope 1	9,815	8,031	7,033	-28%	-12%
Diesel Fuel	3,094	1,397	1,343	-57%	-4%
Gasoline	593	736	914	54%	24%
Heating Oil	16	0	0	-100%	-
Propane Gas	128	180	253	97%	41%
Natural Gas	4,012	3,745	2,550	-36%	-32%
Refrigerants ¹³	1,973	1,973	1,973	-	-
Scope 2	37,526	30,405	27,114	-28%	-11%
Electricity	37,290	29,960	26,850	-28%	-10%
Municipal/District Heating	236	446	264	12%	-41%
Total (Scope 1 and 2)	47,341	38,436	34,147	-28%	-11%
Scope 3	705,454	513,282	599,655	-15%	17%
Purchased Goods & Services	516,258	281,051	345,146	-33%	23%
Capital Goods	20,834	17,670	24,839	19%	41%
Fuel and Energy Related Activities	15,001	12,824	13,466	-10%	5%
Upstream Transportation and Distribution	67,630	114,527	129,422	91%	13%
Waste Generated in Operations	24,443	37,911	37,749	54%	0%
Business Travel	4,356	1,328	2,280	-48%	72%
Employee Commuting	55,985	47,151	46,004	-18%	-2%
Upstream Leased Assets	947	820	748	-21%	-9%
Total (Scope 1, 2 and 3)	752,795	551,718	633,802	-16%	15%

¹² FY2022 figures doesn't include Russian sites due to response to the sanctions imposed by the EU against Russia following Russia's war of aggression against Ukraine.

¹³ The emissions linked to fugitive gases from refrigerants were calculated for P82 (2022). To maintain consistency for comparative purposes with prior years, the identical value has been applied for P77 (2017) and P81 (2021).

Y-EMEA Carbon Footprint (tCO₂e) – 2022



Y-EMEA is resolutely committed to achieving carbon neutrality by 2039.

Viewed as a continuous journey marked by various milestones, we have developed a comprehensive roadmap for the coming years. This roadmap is designed to significantly reduce carbon emissions, placing a heightened emphasis on transitioning to renewable electricity sources within our own operations where green electricity is accessible in the market. Additionally, we are actively engaged in collecting primary data from our suppliers and freight forwarders, collaborating with them to identify opportunities for CO₂ reduction.

Furthermore, our logistics team has been working on dedicated measures for CO₂ reduction. There have been several projects presented demonstrating potential for significant reductions in CO₂ emissions, as few generic examples we can list the following:

- > Switching from air to sea mode and from road to multimodal or short sea solutions
- > Increasing our equipment utilization and our packaging utilization for inbound and outbound deliveries
- > Installing "green solutions" in our external as well as internal warehouses (led lights, solar panels, electric forklifts, gravity conveyors, waste management, recycling packaging material, etc.)
- > Considering electric vehicles as alternative mode of transport where possible
- > Buying "sustainable fuel" for our air shipments
- > Paperless flows where possible (eg. electronic customs declarations, electronic transport documents).

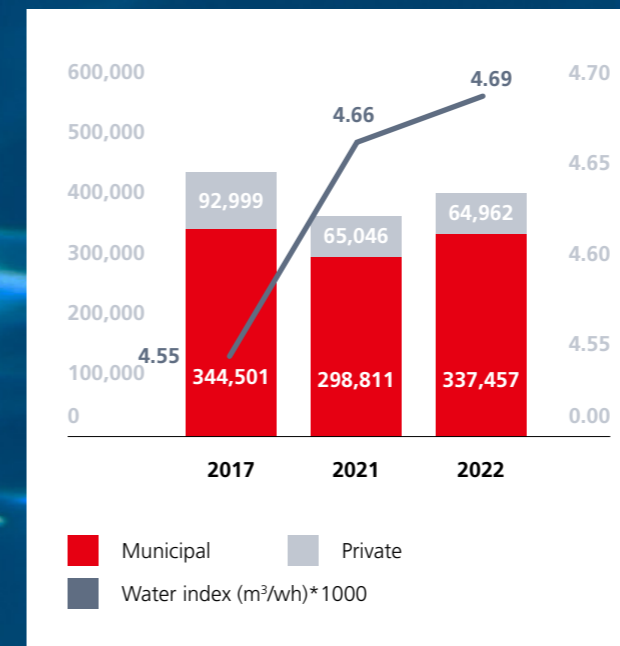
Our approach involves pinpointing environmental hotspots through product carbon footprint calculations and subsequently implementing improvements. We are also dedicated to incorporating more sustainable and recycled materials, along with strategic investments in research and development for progressive product development. More information available on section 13. Innovation and infrastructure.



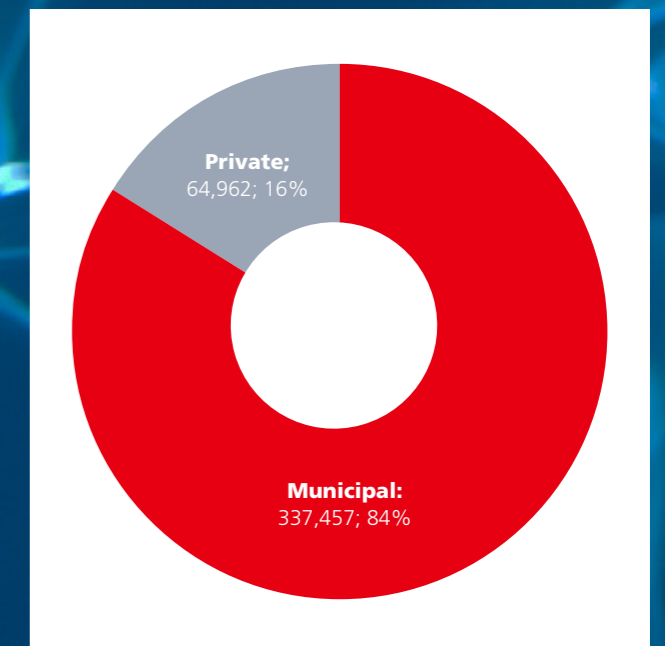
WATER CONSUMPTION

During the Business Year, Y-EMEA's total water consumption amounted to 402,420 m³ ¹⁴, comprising 84% municipal water and 16% from private water sources (water wells). This represented an 11% increase compared to the previous year, attributed to the recovery in business activity, yet still reflected an 8% reduction when compared to the baseline year. Y-EMEA remained committed to implementing measures for optimizing water consumption including awareness programs for employees, the installation of water-efficient technologies and regular maintenance practices to promptly address and rectify any potential leaks. Further, some plants already have in place systems to recycling and reusing water.

Water consumption (m³)



Water consumption – 2022 (m³, %)



In our ongoing efforts to optimize water usage, significant actions have been made in our sustainability journey. Three of our plants (YMK, YMM & YMOK) are already implementing recycling systems and rainwater reuse, achieving an impressive 10% to 20% in water reuse.

Recognizing the positive impact of this initiative, we continually promote the replication of this successful practice across our manufacturing footprint to focus on increasing the percentage of recycling and water reuse, thereby reinforcing our dedication to foster a sustainable corporate footprint.

¹⁴ Business Year 2022 figure doesn't include Russian sites due to response to the sanctions imposed by the EU against Russia following Russia's war of aggression against Ukraine.

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"The P82 Y-EMEA EHS & Sustainability competition was a thrilling challenge that brought out the best in our local teams, pushing the innovative mindset and elevating our corporate responsibility in addressing sustainability aspects.

All the 23 projects from our plants aimed at creating a positive change, impacting our environmental performance, and deeply integrating sustainable practices into our operations.

The 3 following awarded projects exemplify our commitment:

1st Award: The electricity consumption optimization by implementing a smart lighting control system from YMOK.

2nd Award: The implementation of a near miss audit process for encouragement the new approach regarding proactive metrics from YSD.

3rd Award: The installation of solar panels for production of electricity that will help to reduce the carbon footprint from YMM.

Looking forward, we're eager about embedding sustainability even more profoundly into our corporate identity, ensuring a future that not only shines brighter but leaves a lasting green legacy."



Farouk Tourrab
Head of EH&S



EMPLOYEE AWARENESS

All employees are integral to our mission.

Our commitment to sustainability extends beyond designated sustainability roles. We are dedicated to assisting our diverse workforce in seamlessly incorporating sustainability into their responsibilities. This is achieved through the provision of learning opportunities and the establishment of channels for active participation in our sustainability initiatives.

During the period of reporting, in the regions where Y-EMEA operates, several awareness initiatives were carried out dedicated to promoting environmental responsible behaviors and best practices among employees.



Think and Act Green:

Y-EMEA energy saving campaign

Y-EMEA is dedicated to minimizing energy consumption in alignment with EU energy-saving recommendations, exemplifying leadership in decarbonization, and contributing to a sustainable future to address climate change. In pursuit of these goals, Y-EMEA launched an energy-saving campaign to provide comprehensive guidance to all its sites on achieving optimal resource efficiency.

Tips to save energy

In the realm of energy conservation, individual contributions hold significant value. Recognizing this, we have curated practical suggestions for employees to integrate into their daily work routines that contribute to reduce environmental impact.

Green Ambassadors

Y-EMEA has initiated the establishment of Green Ambassadors at various locations – employees that serve as role models, inspiring colleagues to actively engage in environmentally responsible practices and contribute to Y-EMEA's overarching sustainability vision.

15. SUSTAINABLE COMMUNITIES

Material topic:
Communities' Rights, Impact on the Ecosystems

Y-EMEA has cultivated strong ties with the neighboring communities surrounding our plants and offices, recognizing the pivotal role of community engagement in fostering sustainable development. By establishing strategic partnerships, our company proactively supports local community stakeholders, actively engaging in initiatives that contribute to community well-being and undertaking environmental activities for mutual benefit.

UKRAINE

Ukraine team planted a public fruit tree avenue

The Yazaki Ukraine plant in Uzhgorod (YUL) has undertaken a commendable initiative to enhance its surroundings. In collaboration, local colleagues planted 15 apple seedlings, transforming the area into a more inviting space for the local community. The initiative aimed to create a picturesque avenue for leisurely walks, with the added benefit of anticipating a harvest of tasty fruits in the future. This activity, bridging environmental protection, utility, and aesthetics, reflects the team's commitment to their community. The inspiration for this endeavor came from Yazaki's Gemlik site in Türkiye, which, during the summer, generously donated 36 tree saplings to the TEMA Foundation on behalf of Yazaki Ukraine, commemorating the World Nature Conservation Day and the World Friendship Day.

TUNISIA

Yazaki Tunisia promotes a greener environment

Yazaki Tunisia (YTU) actively participated in the "National Tree Day" celebrations by joining a local civil society's planting campaign in Gafsa city. During this environmentally conscious initiative, YTU colleagues contributed to the cause by planting 256 saplings, aligning with their commitment to environmental responsibility and corporate citizenship. This endeavor not only supports afforestation efforts but also contributes to the expansion of green zones in public areas of the region, aligning with the Environmental Development Program.

BULGARIA

Yazaki Bulgaria's 16th anniversary celebration

Yazaki Bulgaria (YBE) celebrated its 16th birthday, graced by the presence of the Y-EMEA Senior Leadership Team during the All Employees Meeting. The commemorative event featured a meaningful annual tree planting activity, accentuated by the addition of a special Christmas tree set to be adorned collectively by all employees.



Tunisia, National Tree Day



Ukraine, fruit tree planting

For a more detailed overview of our community engagement activities, please consult sections **8. No poverty and reduced inequalities** and **11. Social community service and support of social institutions.**



16. ANNEXES

A. GRI INDEX

Statement of use:	Yazaki Europe Middle East Africa region (Y-EMEA) has reported the information cited in this GRI index for the period July 1, 2022 to June 30, 2023 with reference to the GRI Standards.	
GRI 1 used	GRI 1: Foundation 2021	
GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	1. Introduction 3. Business Year 2022 progress 4. Who we are https://www.yazaki-europe.com/about-us/yazaki-worldwide
	2-2 Entities included in the organization's sustainability reporting	Yazaki sites located in EMEA region. https://www.yazaki-europe.com/about-us/yazaki-worldwide . Financial data scope disclosed in the report refers to YEL Legal Group. This covers the same perimeter of reporting as the annual consolidated financial statements that incorporate the financial statements of the company and its subsidiaries. More information available in the annex Methodological Notes.
	2-3 Reporting period, frequency and contact point	1. Introduction 3. Business Year 2022 progress
	2-4 Restatements of information	Some performance metrics related to environmental indicators in previous years have been recalculated using updated data received after publication of Annual Sustainability Report 2022. 12. Waste management 14. Environmental soundness
	2-5 External assurance	The present Sustainability Report was not submitted to external assurance, but we are considering doing it in the future. Regarding financial data, consolidated financial statements referred in GRI 2-2 have been verified by an external auditor.
	2-6 Activities, value chain and other business relationships	4. Who we are / Our product portfolio 12. Supplier management Additionally, Y-EMEA has excluded Russian sites from the Business Year 2022 reporting scope in response to the sanctions imposed by the EU against Russia following Russia's war of aggression against Ukraine.
	2-7 Employees	3. Business Year 2022 progress 7. Our workforce composition 9. Gender equality
	2-8 Workers who are not employees	3. Business Year 2022 progress 7. Our workforce composition 9. Gender equality
	2-9 Governance structure and composition	5. Senior leadership team 6. Sustainability organization Changes have occurred in our Senior Leadership Team post conclusion of the reporting period. Mr. Hans Lemmens has transitioned from 'President and CEO' to CEO, Mr. Andreas Di Vece from 'COO' to 'President EDS Business Division', Mr. Ergün Tan from 'CFO & Chief Strategy Officer' to 'CFO', and Mr. Jeroen Deen from 'Chief Commercial Officer' to 'President ECS Business Division'. These changes took effect on April 2, 2024, after the reporting period ended.
	2-13 Delegation of responsibility for managing impacts	6. Sustainability organization
	2-22 Statement on sustainable development strategy	2. Message of the CEO

	2-23 Policy commitments	5. Ethics and conduct 8. Respect for human rights 14. Environmental soundness: climate action, clean water and energy
	2-26 Mechanisms for seeking advice and raising concerns	5. Ethics and conduct
	2-28 Membership associations	5. Memberships Y-EMEA has been participating in working groups related to ESG topics at industry associations where it holds a membership position.
	2-29 Approach to stakeholder engagement	5. Stakeholder engagement 6. Materiality assessment
	2-30 Collective bargaining agreements	We respect the freedom of association and the right to collective bargaining. At the end of Business Year P82 (June 2023) 53% of our employees (52% if including subcontractors) were covered by collective bargaining agreements.
GRI 3: Material Topics 2021	3-1 Process to determine material topics	6. Sustainability ambitions / Materiality assessment Annex B. Methodological notes
	3-2 List of material topics	6. Sustainability ambitions / Materiality assessment Annex B. Methodological notes Y-EMEA has excluded Russian sites from the Business Year 2022 reporting scope in response to the sanctions imposed by the EU against Russia following Russia's war of aggression against Ukraine.
Environmental soundness: climate action, clean water and energy		
3-3	Management of material topics	5. Governance 6. Sustainability organization/ Sustainability ambitions / Materiality assessment Y-EMEA has in place a set of initiatives related to this topic: 14. Environmental soundness: climate action, clean water and energy 13. Sustainable infrastructures Y-EMEA monitors indicators associated with this topic: water consumption, energy consumption, CO ₂ emissions
GRI 302: Energy 2016	302-1 Energy consumption within the organization	14. Energy consumption
	302-3 Energy intensity	14. Energy consumption
	302-4 Reduction of energy consumption	14. Energy consumption 13. Sustainable infrastructures
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	14. Water consumption
	303-5 Water consumption	14. Water consumption
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	14. GHG emissions
	305-2 Energy indirect (Scope 2) GHG emissions	14. GHG emissions
	305-3 Other indirect (Scope 3) emissions	14. GHG emissions
	305-4 GHG emissions intensity	14. GHG emissions
	305-5 Reduction of GHG emissions	14. GHG emissions 13. Sustainable infrastructures

Responsible production and consumption		
3-3	Management of material topics	5. Governance 6. Sustainability organization/ Sustainability ambitions / Materiality assessment Y-EMEA has in place a set of initiatives related to this topic: 12. Responsible production and consumption Y-EMEA monitors indicators associated with this topic.
GRI 306: Waste 2020	306-3 Waste generated	12. Waste management
	306-4 Waste diverted from disposal	12. Waste management
	306-5 Waste directed to disposal	12. Waste management
Our people: decent work, training and development		
3-3	Management of material topics	5. Governance 6. Sustainability organization/ Sustainability ambitions / Materiality assessment Y-EMEA has in place a set of initiatives related to this topic: 7. Our people: decent work, training and development 8. No poverty and reduced inequalities Y-EMEA monitors indicators associated with this topic.
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	7. Talent attraction and retention
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	7. Training and development
No poverty and reduced inequalities; Social community service and support of social institutions		
3-3	Management of material topics	5. Governance 6. Sustainability organization/ Sustainability ambitions / Materiality assessment Y-EMEA has in place a set of initiatives related to this topic: 7. Our people: decent work, training and development 8. No poverty and reduced inequalities 11. Social community service and support of social institutions Y-EMEA monitors indicators associated with this topic.
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	11. Social community service and support of social institutions
	203-2 Significant indirect economic impact	8. Job creation
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	8. Respect for human rights 12. Supplier management
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	8. Respect for human rights 12. Supplier management
Gender equality		
3-3	Management of material topics	5. Governance 6. Sustainability organization/ Sustainability ambitions / Materiality assessment Y-EMEA has in place a set of initiatives related to this topic: 7. Our people: decent work, training and development 9. Gender equality Y-EMEA monitors indicators associated with this topic.
GRI 401: Employment 2016	401-3 Rates of return to work and retention after maternity/paternity leave, by gender	Rate of return to work (%): Male 66%; Female 66%; Total: 66% Retention rate (%): Male 57%; Female 85%; Total: 84%
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	9. Gender equality

Good health and well-being		
3-3	Management of material topics	5. Governance 6. Sustainability organization/ Sustainability ambitions / Materiality assessment Y-EMEA has in place a set of initiatives related to this topic: 7. Our people: decent work, training and development 10. Good health and well-being Y-EMEA monitors indicators associated with this topic.
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	10. Good health and well-being
	403-2 Hazard identification, risk assessment, and incident investigation	
	403-4 Worker participation, consultation, and communication on occupational health and safety	
	403-5 Worker training on occupational health and safety	
	403-6 Promotion of worker health	
	403-8 Workers covered by an occupational health and safety management system	
403-9 Work-related injuries		
Innovation and infrastructure		
3-3	Management of material topics	5. Governance 6. Sustainability organization/ Sustainability ambitions / Materiality assessment Y-EMEA has in place a set of initiatives related to this topic: 13. Innovation and infrastructure Y-EMEA monitors indicators associated with this topic.
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	13. Sustainable infrastructures
Sustainable communities		
3-3	Management of material topics	5. Governance 6. Sustainability organization/ Sustainability ambitions / Materiality assessment Y-EMEA has in place a set of initiatives related to this topic: 15. Sustainable communities Y-EMEA monitors indicators associated with this topic.
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	13. Sustainable infrastructures

B. METHODOLOGICAL NOTES

The GRI Index cross-references our company's nine sustainability areas and material topics outlined in section 6. Strategy/Sustainability ambitions/Materiality assessment with applicable GRI Standards.

Material topics	Area	GRI Standards Disclosures	Section
Own workforce – Working conditions	1. Our people: decent work, training and development	401-1 New employee hires and employee turnover	7. Talent attraction and retention
		404-2 Programs for upgrading employee skills and transition assistance programs	7. Training and development
Own workforce – Equal treatment and opportunities for all	2. No poverty and reduced inequalities	203-1 Infrastructure investments and services supported	11. Social community service and support of social institutions
Own workforce – Equal treatment and opportunities for all. Workers in the value chain		203-2 Significant indirect economic impacts	8. Job creation
		408-1 Operations and suppliers at significant risk for incidents of child labor	8. Respect for human rights 12. Supplier management
Own workforce – Equal treatment and opportunities for all	3. Gender equality	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	
		405-1 Diversity of governance bodies and employees	9. Gender equality
Own workforce – Working conditions	4. Good health and well-being	401-3 Rates of return to work and retention after maternity/paternity leave, by gender	
		403-1 Occupational health and safety management system	10. Good health and well-being
		403-2 Hazard identification, risk assessment, and incident investigation	
		403-4 Worker participation, consultation, and communication on occupational health and safety	
		403-5 Worker training on occupational health and safety	
		403-6 Promotion of worker health	
		403-8 Workers covered by an occupational health and safety management system	
403-9 Work-related injuries			
Affected communities – Communities' rights	5. Social community service	203-1 Infrastructure investments and services supported	11. Social community service and support of social institutions
Workers in the value chain	6. Responsible production and consumption	2-7 Employees	7. Our workforce composition
		2-8 Workers who are not employees	12. Supplier management
		2-6 Activities, value chain and other business relationships	
Resource use and circular economy – Waste management	6. Responsible production and consumption	306-3 Waste generated	12. Waste management
		306-4 Waste diverted from disposal	
		306-5 Waste directed to disposal	
Resource use and circular economy, Climate change and energy	7. Innovation and infrastructure	203-1 Infrastructure investments and services supported	13. Innovation and infrastructure
		302-1 Energy consumption within the organization	14. Energy consumption
	8. Environmental soundness: climate action, clean water and energy	302-3 Energy intensity	
		302-4 Reduction of energy consumption	
		303-3 Water withdrawal	14. Water consumption
		303-5 Water consumption	
		305-1 Direct (Scope 1) GHG emissions	14. GHG emissions
		305-2 Energy indirect (Scope 2) GHG emissions	
		305-3 Energy indirect (Scope 3) GHG emissions	
		305-4 GHG emissions intensity	
305-5 Reduction of GHG emissions			
Affected communities – Communities' rights	9. Sustainable communities	203-1 Infrastructure investments and services supported	15. Sustainable communities
Business conduct		General Disclosures	4. Our spirit and values 5. Governance 6. Strategy

Financial indicator:

The revenue figure disclosed comprises the same scope as the YEL Legal Group consolidated financial statements and refers to the reporting year from April 1, 2022 to March 31, 2023. The scope of consolidation includes the following subsidiaries of Yazaki Europe Limited over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities:

- Yazaki Europe Limited-Paris SARL
- Yazaki Systems Technologies GmbH
- Yazaki Systems Technologies France SAS
- Yazaki Systems Technologies Spain S.L.U.
- Yazaki Systems Technologies Turkey Otomotiv Sanayi ve Ticaret Ltd. Sti.
- Yazaki Systems Automotive s.r.l

302-1

Energy consumption within the organization was converted to energy units (GJ), using the following Energy Information Administration (EIA) conversion factors:

Electricity	Heating oil	Municipal/District Heating	Pellet Heating	Natural gas	Propane	Petrol (Gasoline)	Diesel
3.6	36	1	1	35	46.35	0.03458	0.03857
GJ/MWh	MJ / L	GJ	GJ	MJ / m ³	MJ / kg	GJ / L	GJ / L

302-3 and 305-4

The energy and carbon intensity are calculated considering total man hours (working hours) performed in each Business Year.

305-1, 305-2 and 305-3

The scope 1 and 2 GHG emissions data included in this Report cover carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O) emissions and have been estimated according to GHG Protocol.

The following table shows the emission factors considered for each energy source consumption reported at 302-1 and 302-2, respectively.

Electricity	Heating oil	Municipal/District Heating	Pellet Heating	Natural gas	Propane	Petrol (Gasoline)	Diesel
Market based approach used with annual emission factor (EF) provided by electricity provider. Average EF is used and EF is monitored twice a year to accommodate any change on electricity supplier and sources change. Location based approach is used if energy provider's EF is not available.	0.002823 tCO ₂ /L	0.05 tCO ₂ /GJ	0.00 tCO ₂ /GJ	0.00193 tCO ₂ /m ³	0.0015375 tCO ₂ /L	0.002349 tCO ₂ /L	0.0026878 tCO ₂ /L

The scope 3 GHG emissions data included in this Report cover carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O) emissions and have been estimated according to GHG Protocol using emission factors from several databases (US EPA Emission Factor Hub, DEFRA, USEEIO database, Ecoinvent, and/or published studies).

Some assumptions have been taken to estimate emissions according to data available.

Emissions factors to calculate CH₄ and N₂O were obtained from GHG Protocol: GHG Emissions Calculation tool. Global Warming Potentials (GWP) obtained from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) were used to convert GHG emissions into carbon dioxide equivalents (CO₂e).

The emissions linked to fugitive gases from refrigerants were calculated for P82 (2022). To maintain consistency for comparative purposes with prior years, the identical value has been applied for P77 (2017) and P81 (2021).

401-1

The formulas used to calculate this indicator were the following:

- **Turnover rate** = (No. of employees exits during the reporting period / total No. of employees at the end of the reporting period) x 100, by age group and gender considered.
- **Rate of new hirings** = (No. of new hirings / total no. of employees at the end of reporting year) x 100, by age group and gender considered.

401-3

The formulas used to calculate this indicator were the following:

Rate of return to work = (Total number of employees returning to work following maternity or paternity leave / Total number of employees in maternity or paternity leave) x 100, total and per gender

Retention rate = (Total number of employees retained 12 months after returning to work following maternity or paternity leave / Total number of employees returning from maternity or paternity leave during the preceding reporting period) x 100, total and per gender

403-9

The formula used to calculate this indicator was the following:

Recordable Incidents Rate (RIR) = The total number of Recordable Injuries, including Restricted Cases, Medical Treatment and Lost Time Cases for both Illnesses and Injuries related to a common exposure base of 100 full-time workers. This rate is calculated as:

- $n \times 200.000 / \text{wh}'s$
- n = number of Lost Work Day Cases + Restricted Cases + Medical Cases for both Illnesses or Injuries
- wh's = total hours worked by all employees during month or year
- 200.000 = base for 100 full-time equivalent workers (working 40 hours per week 50 weeks per year)

405-1

The data disclosed includes employees with permanent and temporary contracts at the end of the reporting period.

C. GLOSSARY

Throughout the report several acronyms are mentioned, namely:

- 7 level activity:** Serves together with MOTO activity as fundament of Yazaki internal improvement activities. It comprises the basic requirements and tools for Visual Management in order to provide good shopfloor management.
- GPMS:** Global Process Management System
- JISHUKEN:** Is a core Yazaki Management Systems, that transfers knowledge of the NYS
- MOTO:** A Japanese term which describes a daily production control system that is specific for Yazaki
- QCD:** Quality, Cost, Delivery

Also acronyms used along the document that refer to some of our plants (not being an exhaustive Y-EMEA plants list) are:

- YAP-T:** Yazaki Automotive Products Tunisia S.A.R.L.
- YCT:** Yazaki Component Technology S.R.L
- YMM:** Yazaki Morocco Meknes S.A.
- YMO:** Yazaki Morocco S.A.
- YOT-G:** Yazaki Otomotiv Yan Sanayi ve Ticaret A.S. – Gemlik
- YOT-K:** Yazaki Otomotiv Yan Sanayi ve Ticaret A.S – Kuzuluk
- YRL-P:** Yazaki Romania S.R.L. – Ploiesti
- YSD:** Yazaki Srbija DOO
- YSE:** Yazaki Saltano de Ovar Productos Electricos, Lda.
- YTU:** Yazaki Tunisia S.A.R.L
- YUL:** Yazaki Ukraine LLC
- YWT-T:** Yazaki Wiring Technologies Turkiye



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