# Initiatives towards Key Sustainability Issues

## Initiatives towards Sustainable Society

Mabuchi Motor's Management Principle, "Contributing to International Society and Continuously Increasing Our Contribution," expresses our desire to increase our contribution to society and continue to be an indispensable company for the world. We aim for all employees to "participate in social contribution through their work as a member of the company" and "achieve personal growth by caring not only for people but also for nature, the environment, and all other things, and by attaining fullness of mind that is not limited to material wealth alone."

In addition, we regard the SDGs as goals that enable us to grow economically while taking care of people. To achieve these goals, we will continue our proactive environmental and social initiatives for each of them.

#### **Sustainability Policy**

To realize our Management Principle of "Contributing to International Society and Continuously Increasing Our Contribution", we will follow our Management Markers and achieve sustainable enhancement of corporate value through resolution of the issues facing society

- We will pursue the full range of possibilities of small DC motors to help resolve issues confronting global society.
- Through all of our business activities, we will show respect not only for people but also for nature, the environment and all other things and fulfil our social responsibilities.
- To realize stable growth in the long term, we will maintain proper governance, quickly identifying risks and taking steps to eliminate or minimize these.
- We will build strong and lasting relationships of trust with all our stakeholders and contribute to our stakeholders in a sustainable manner.

### System for Sustainability Promotion

As an organization directly under the Board of Directors, the Sustainability Committee is responsible for the cross-sectional examination and discussion of sustainability issues and the formulation of specific measures. It is chaired by the president and consists of executive officers and head of business units and the headquarters. A system is in place to ensure that the oversight provided and decisions made by the Board of Directors are appropriately integrated throughout the company by reporting the results of the Committee's deliberations to the Board of Directors.

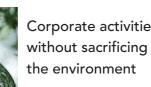
Since its establishment in July 2020, the Committee has set specific key issues and targets for solving social issues in accordance with the Management Markers, completed signing the UN Global Compact, expressed its endorsement of the TCFD (Task Force on Climate-related Financial Disclosure) as a climate change-related initiative, and discussed specific measures to address these issues.



## Sustainability Targets

From 2021 to 2023, we set our unique material issues in line with the Management Markers, and established KPIs as our mid-term sustainability targets. Currently, we have established four new materialities and eight corresponding sustainability indicators, and are promoting sustainability initiatives for the period from 2024 to 2030.





Materiality



Manufacturing for the realization of an affluent society and pleasant lifestyles



Realization of an environment in whi everyone can play a active part



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Society

Fulfilling social responsibility

Material issues	Contents initiatives	KPI	2024 goals	2030 goals
Corporate activities without sacrificing the environment	Reduction of environmental impact in all activities within the Group including development, procurement and production	①CO <sub>2</sub> emission reduction rate from 2018 level (Scope 1 and Scope 2)	▲3%	▲30%
	Development and sales expansion of products that deliver compactness, weight reduction and energy savings	②Net sales growth rate for sustainable products and sustainable products premium (from 2023 level)	+20%	+70%
Manufacturing for the realization of an affluent society and pleasant lifestyles	Sales expansion of "products for health equipment and medical device applications" and "motors that contribute to improvement of safety of automobiles (seat-belt pretensioner, electric parking brake, optical axis adjustment, haptic technology, etc.) and improvement of environmental performance (valve actuator, grill shutter)	③Net sales growth rate for applications that contribute to SDGs (from 2023 level)	+5%	+70%
Realization of an environment in which everyone can play an active part	Development and appointment of female executives and managers at sites in Japan and all over the world	④Percentage of women with managerial roles	17%	20%
	Promotion of work overseas (secondment of employees from their own sites to sites in other countries and dispatch of trainees)	⑤Number of employees with global work experience	457 (cumulative)	620 (cumulative)
	Providing opportunities to deepen interest in science to children who are the next generation	⑥Number of participants in craft classes, delivery classes and others for children	700	5,000 (cumulative from 2024)
Fulfilling social responsibility	Measures to prevent industrial accidents, development of office and factory work environments, promotion of work-life balance	⑦ Frequency of occupational injuries (number of industrial injuries per million cumulative actual working hours)	0.14 or less	0.12 or less
	Continued implementation of due diligence process and stepping-up of initiatives to encourage respect for human rights in all supply chains	⑧ Number of serious human rights risks	0	0

	Sustainability Indicators
es	<ol> <li>CO<sub>2</sub> emission reduction rate (Scope 1 and 2)</li> <li>Net sales growth rate of sustainable products and sustainable products premium</li> </ol>
in d	③Net sales growth rate of products that contribute to SDGs
ich an	<ul> <li>④ Percentage of women with managerial roles</li> <li>⑤ Number of employees with global work experience</li> <li>⑥ Number of participants in craft classes and delivery classes for children</li> </ul>

⑦ Frequency of occupational injuries
⑧ Number of serious human rights risks