

# YAZAKI Group and Forest Creation

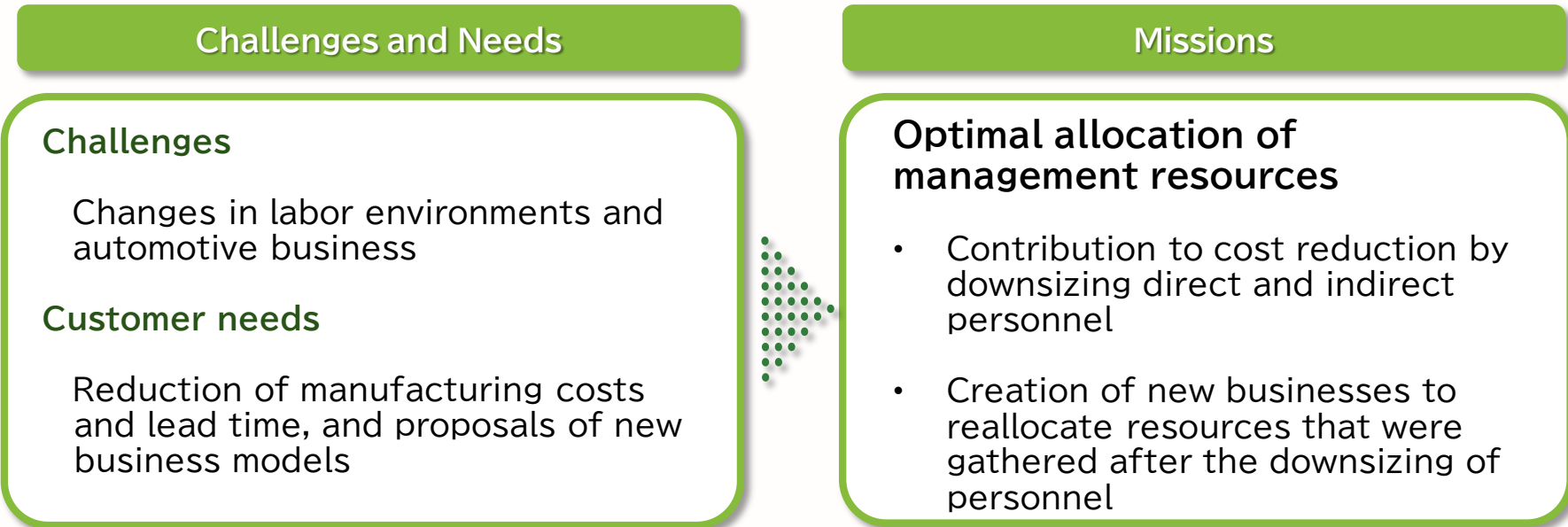
In progress

Activities started in 2006  
Business started in 2023

~ Achievement of coexistence between people and nature and a recycling-oriented society ~  
Builds a business model that coexists with local communities and nature to contribute to forest conservation through sustainable corporate management

## Background or assignment

### 1 Why is an automotive parts manufacturer doing forestry?



### 2 Steps with Yusuhara Town in Kochi prefecture

#### Regional recycling of forest resources in collaboration with local communities

Yusuhara town in Kochi Prefecture has strategies for truly living with forests and “Reforestation” that will leave an important global environment for future children based on basic philosophy of “Learning from ancient wisdom, living with nature and realizing a recycling society”.


1991	Yusuhara Plant established by Shikoku Parts Co., Ltd.
1997	Increase in overseas manufacturing → Sharp decrease in production and increase in closure of domestic production bases
2006	Woody Biomass Community Circulation Model Project launched
2008	A wood pellet factory of Yusuhara Pellet Corporation started operation
2019	Forest management system started
	Forest regeneration project started
2023	Forest creation business launched by Shikoku Parts Co., Ltd.

About Yusuhara Town

A small mountain town, rich in nature surrounded by Shikoku Karst

- Area: 23,645ha (91% of forest)
- Population: 3,307 (46% of aging rate)
- Households: 1,513
- Altitude: 1,455 m

(National census by MIC in 2020)



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## Background or assignment

### 3 Purpose of corporations utilizing forests

#### Multiple values of forests

Global environment conservation, cultural preservation, material production, soil conservation, water source cultivation, biodiversity conservation, health & recreation, and culture



#### Purpose of corporations utilizing forest projects

- Contributes to society by resolving regional issues
- Maintains physical and mental health of employees and have positive impacts on the organization
- Continuous efforts for natural capital

### 4 Issues emerging from cooperation with Yusuhara Town

#### Social issues

- Global warming (CO2 reduction)
- Fewer and aging forestry workers
- Mudslides/Natural disasters
- Biodiversity conservation

#### Regional issues (Yusuhara Town)

- Lack of forestry workers
- Operation safety, efficiency, and labor saving
- Rising material costs
- Improving wood value

#### Management issues (YAZAKI)

- Existing business capability
- Adopting environmental changes
- Contributing to carbon neutrality
- Once-in-a-century revolution

## Solutions to Challenges

### 1 Purpose of the effort

Yazaki Group is engaged in forestry (afforestation project) to solve issues of stakeholders and to contribute to sustainable forest management and sustaining our businesses

#### Achivement

- 1) Improving the safety of afforestation operations and breaking away from dirty, dangerous, and demeaning forestry
- 2) Creating new value and new businesses beyond the barrier between automotive business and forestry
- 3) Acheiving circular economy



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## Solutions to Challenges

### 2 What Yazaki Group can do

#### Key issues of afforestation projects

#### 1 Operation safety, efficiency, labor-saving

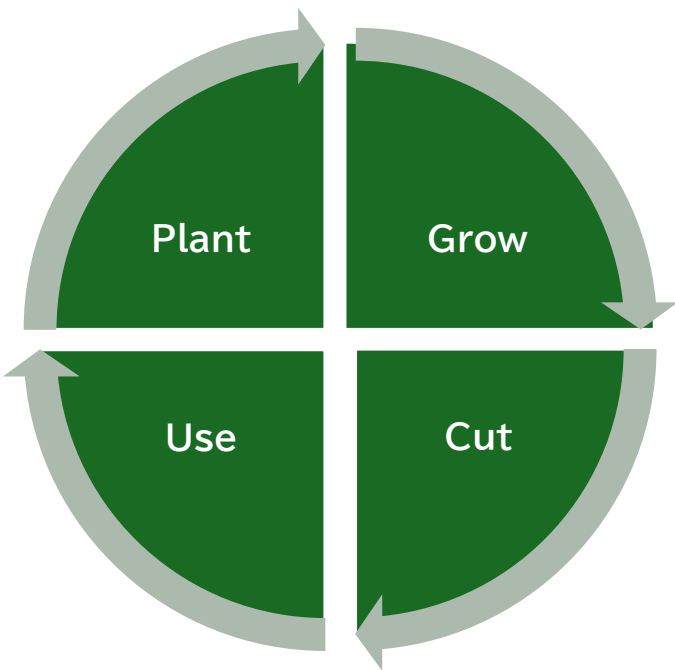
- Slow progress of reforestation mainly due to large costs
- Harshness of the work due to labor shortages

#### 2 Reducing material costs/Added value creation

- Looking into reduction of material costs and environmental-friendliness

#### 3 Improving wood value

- Slump in wood prices and loss of interest in forests
- Forest owners not interested in forestry management
- No benefit from regeneration-cutting and reforestation



Forest cycle

#### Solutions

##### Create additional value for forestation works



Review forestation work processes  
(improve work efficiency and productivity)

##### Create new wood value and demand



In auto parts manufacturing  
Planning and development of BtoC products

##### Forestry business



Expand construction areas  
Expand to multiple locations

##### Improve labor environment



Develop special vehicles for forestry workers  
(improve dirty, dangerous, and demeaning work, create safety, security and comfort)

##### R&D of protective net



In-house manufacturing of single-tree protective nets  
Improve work efficiency and reduce costs

Aiming to expand new forestry model with Yusuhara Town as the main base

