

# YAZAKI Green Purchasing Guidelines

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### 1. Introduction

A Corporation in Step with the World, A Corporation Needed by Society—these corporate policies have been inherited as the Yazaki Group's mainstay and have supported all business activities since the company was established.

With a consistent attitude and conduct based on the corporate policies, we have fulfilled our corporate responsibility and mission by pursuing high quality manufacturing and building a system for supplying what is needed when it is needed anywhere in the world by the optimum route for the optimum cost.

We have also developed our unique corporate management and corporate culture under voluntarism, equality, and reconciliation aiming for a global, multi-cultural company that grows with the world.

These corporate policies have been the common principle that connects the existence and value of the Yazaki Group.

In recent years, global environmental problems such as frequent natural disasters due to climate change, depletion of resources, and destruction of ecosystems have become important issues facing the entire world.

At the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21), the Paris Agreement was adopted as a new international framework for reducing greenhouse gas emissions after 2020.

In addition, at the Climate Change Summit 2021, several countries announced that they would raise their CO2 emission reduction targets under the insistence that the international community would work together to decarbonize the world. Strategies aimed at realizing a decarbonized 2050 Carbon neutral society are accelerating.

We recognize that reducing greenhouse gas emissions linked to the targets set in the Paris Agreement is a corporate social responsibility. In order to achieve carbon neutrality in 2050, the Yazaki Group has set a global target of a 39% reduction in Scope 1 and 2 CO2 emissions compared to fiscal 2017 by fiscal 2030, and a 15% reduction in Scope 3 emissions compared to fiscal 2017. We will build a global organizational structure and promote initiatives to reduce greenhouse gases throughout the supply chain.

Considering that carbon neutrality is the lifeline of our business, we are working to reduce CO2 emissions at the product design and development and production stages as part of our corporate sustainability while also using renewable energy.

We, the Yazaki Group, recognize that these rapidly changing times provide us and our suppliers with great opportunities to make a big leap forward together. Therefore, we appreciate your cooperation in promoting the activities by involving your suppliers.

We would like to achieve our corporate policy through concerted efforts with all employees and suppliers.

January 2024

Jun Okaniwa

Jun Okaniwa Managing Executive Officer General Manager, Purchasing Division YAZAKI Corporation

# 2. Positioning of Green Purchasing Guidelines

Our Corporate Identity, CSR Policy, and CSR initiatives that we expect from our suppliers are specified in our Supplier CSR Guidelines.

YAZAKI Green Purchasing Guidelines put together specific actions that we would like our suppliers to take with regarding to environmental protection activities stated in the Supplier CSR Guidelines. We aim to raise awareness of the need for and implementation of strategic environmental management by utilizing the guidelines and to facilitate environmental management of our suppliers considering the entire business.

Supplier CSR Guidelines
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\*Revised in October 2021

<quality safety=""></quality>
<ul> <li>Ensuring high quality of products and safety of customers</li> </ul>
<risk management=""></risk>
•Risk management
<compliance></compliance>
Compliance with laws and regulations      Managing information asset
<ul> <li>Prohibition of bribery and political donations</li> </ul>
<ul> <li>Prohibition of giving/receiving gifts and entertainment beyond standards</li> </ul>
Supporting free and fair competition ·Conflicts of interest
<human labor="" rights=""></human>
<ul> <li>Encouraging communication with employees</li> <li>Respect for diversity and</li> </ul>
non-discrimination ·Respect for human rights
<ul> <li>Ensuring a safe and healthy workplace <ul> <li>Fair treatment of personnel affairs</li> </ul></li></ul>
<environment></environment>
Protecting the environment
<local and="" communities="" global=""></local>
Contributing to society ·Responsible minerals procurement ·Information disclosure to stakeholders

Refer to "Supplier CSR Guidelines \*" for details.

\* https://www.yazaki-group.com/file/csr\_supplier\_e.pdf



### 3. Revised contents

Aiming to realize a carbon-neutral and decarbonized society by 2050, We also revised the content to prevent omissions in reporting to countries subject to chemical substance reporting regulations

The revisions are as follows.

### 5. Requests to Suppliers

2) Reducing CO2 emissions

① Reducing on-site CO2 emissions

Added "Request to promote the use of raw materials with low CO2 emissions and promote CO2 reduction by making products smaller and lighter"
Added "Product design to reduce size and weight by changing shape and materials"

•Added "Use of recycled materials and use of biomass materials"

2 Reducing CO2 emissions from logistics

·Added "Using Low CO2 Emission Fuels such as Biodiesel"

- ·Added "Vehicle Electrification (EV/FCV)"
- ·Added "Improvement of loading rate by introduction of milk run etc."
- •Added "Utilization of Low CO2 Emission Transportation Means"
- 3) Reducing generated waste
  - ·Added "reduction of single-use plastic"
- 6) Managing chemical substances contained in delivered items Correspondence when chemicals such as rust inhibitors (powder) are included in product packaging boxes to protect products

•Added "Request to report to our company to prevent omission of notification to countries subject to chemical substance notification regulations"

#### 6. Terminology

- Decarbonization
- ·Carbon neutral
- ·Decarbonized society
- ·Greenhouse gas (GHG)
- ·Corporate sustainability
- Biodiesel
- •BEV
- •FCEV
- •PHEV/HEV
- •Milk run
- Modal shift
- ∙e-Fuel

# 4. Together with the Global Environment

Based on the corporate policies and the Fundamental Management Policy, the Yazaki Group established the Yazaki Global Environment Charter in 1997 to clarify the Environmental Policy of contributing to the preservation of the global environment and to the enrichment of our society, as well as the Action Guidelines for achieving the policy.

We will contribute to the development of a sustainable society through environmentally sound business activities and employee volunteerism.

### Yazaki Group Corporate Policies "A Corporation in Step with the World" "A Corporation Needed by Society"

### **Fundamental Management Policy**

Contribute to a prosperous future society through business focused on the environment and security. (Article of No. 3)

# Yazaki Global Environment Charter

### **Environmental Policy**

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

### Action Guidelines

- 1. Enhance environmental management Raise environmental awareness among all employees and empower them as individuals to take responsible actions for environmental preservation.
- 2. Take action to prevent global warming Reduce greenhouse gas emissions at the production process and by the contribution of energy-saving product.
- 3. Promote the efficient use of resources towards the formation of a recycling-based society Utilize resources by promoting waste recycling and reduce discharges.



- **4. Manage and reduce environmentally hazardous substances** Improve the management of environmentally hazardous substances in products and the production processes.
- **5. Develop environmentally friendly products** Consider global warming, recycling, and environmentally hazardous substances when developing products.

### 5. Requests to Suppliers

The Yazaki Group is committed to carry out its business activities not only in compliance with environmental laws and regulations but also with due consideration given to environmental protection, including prevention of global warming and effective use of resources. We expect our suppliers to supply the best in the world at lower prices, more quickly in a timely and stable manner over the long term based on compliance with local laws and regulations, and consideration given to local environments.

We therefore request our suppliers to ensure that they take actions for the environmental initiatives on the next page and going forward. In order to contribute on the creation of a Carbon-free society, Yazaki endeavors to reduce GHG emissions through measures such as reducing energy consumption and introducing clean energy sources through the entirety of our products' life cycle. To ensure the realization of carbon neutrality in 2050, we request our suppliers to actively implement programs to reduce GHG emissions and energy consumption during business activities (development, production, transport, etc.) We may request GHG emission data from our suppliers. The Carbon neutral initiative is an urgent matter, we appreciate the collaboration.

To check the progress of environmental initiatives based on the guidelines, such as building an EMS, reducing  $CO_2$  emissions and effectively using water resources, minimizing impact, we will conduct an environmental initiative survey with applicable suppliers once a year on a continual basis. We greatly appreciate your cooperation in this regard.

If any of our suppliers is found to have violated environmental laws or regulations, we may suspend future business with them. If a supplier causes a serious environmental impact (e.g., environmentally hazardous substance, discharged water, exhaust gas, noise, vibration, odor), we will request the supplier to report the details of the violation and responses to the contact department (department in charge of purchasing).

### <Target>

# When issues on environmental management are shared with suppliers and PDCA cycles are implemented



### <Requested Items on Environmental Initiatives and Applicable Suppliers>

		Ар	olicable	suppli	ers	
Requested items on environmental initiatives	Raw materials, parts, indirect materials	Packaging materials	Processing on comission <sup>1</sup>	Distribution	On-site outsourcing <sup>2</sup>	Equipment materials <sup>3</sup>
1) Environmental Management System (EMS)	·					
① Building an EMS	0	0	0	0	_	0
② Complying with environmental laws and regulations	0	0	0	0	0	0
2) Reducing CO <sub>2</sub> emissions						
① Reducing on-site CO <sub>2</sub> emissions	0	0	0		0	0
2 Reducing CO <sub>2</sub> emissions from logistics	0	0		0		0
3) Reducing generated waste	0	0	0	0	0	0
<ol> <li>Effectively using water resources, minimizing impact</li> </ol>	0	0	0		0	0
5) Reducing VOCs and chemical substances designated by the PRTR law	0	0	0	_	0	0
6) Managing chemical substances contained in	delivere	ed items				
① Developing a system for managing environmentally hazardous substances	0	0	0			0
② Managing chemicals in parts	0	—	0	—	—	—
③ Managing chemicals in raw materials and secondary materials	0		0			
<ul> <li>Managing chemicals in packaging materials</li> </ul>	0	0	0	_	_	_
<ul> <li>(5) Managing chemicals in equipment materials</li> </ul>		_	_		_	0
7) Promoting biodiversity	0	0	0	0	0	0

\*1 Processing on commission: Suppliers who process/assemble with raw materials or parts provided by us

\*2 On-site outsourcing: Suppliers who carry out activities on our sites, such as equipment, construction, cleaning, landscaping, and canteen operators

\*3 Equipment materials: Suppliers who handle production equipment, molds, test equipment, infrastructure equipment, jigs and tools for YAZAKI products.

1) Environmental			Applicable	suppliers		
Management System (EMS) ① Establishing an FMS	Raw materials, Parts, Indirect materials	Packaging materials	Processing on commission	Distribution	On-site outsourcing	Equipment materials
	0	0	0	0	_	0

We request all suppliers to promote environmental protection activities based on the acquisition of an ISO 14001 external certificate, and to establish and operate an EMS that allows for continual improvement.

For suppliers who have already established an EMS such as ISO 14001 and the like, we request that the EMS operation be maintained and continued.

We consider suppliers who have an EMS such as Eco Action 21, Eco stage as having established an "Environmental Management System", but we appreciate their continued efforts in acquiring the ISO 14001 certificate externally.

To establish an EMS across the supply chain, we request our suppliers to check and guide the EMS activities of suppliers, and also request our suppliers to raise their awareness when necessary.

We will check our suppliers' status of acquisition of certificates every year. Please submit a copy of your EMS registration certificate when we request it.

<Reference>

• ISO14001 Standard: <u>https://www.iso.org/obp/ui/#iso:std:iso:14001:ed-3:v1:en</u>

- Japanese Standards Association: <u>https://www.jsa.or.jp/dev/iso\_iso1400/</u>
- TÜV Rheinland: https://www.tuv.com/world/en/iso-14001-certification.html
- Eco stage Institute: <u>https://www.ecostage.org/</u>

1)	Environmental Management			Applicable s	suppliers		
	Management System (EMS) ② Complying with onvironmontal	Raw materials, Parts, Indirect materials	Packaging materials	Processing on commission	Distribution	On-site outsourcing	Equipment materials
	laws and regulations	0	0	0	0	0	0

We request our suppliers to ensure that their business activities comply with environmental laws and regulations. With the globalization of business, applicable environmental laws and regulations are increasingly becoming more diversified and expanding.

We request all suppliers doing business with the Yazaki Group to carry out activities for legal compliance, including pollution prevention and continuous monitoring of discharged water, exhaust gas and soil, reduction of pollutants, response to proper waste treatment and recycling, and proper management of prohibited chemical substances according to local environmental laws and regulations.

We also request our suppliers to pay attention to enforcement and revision of these laws and regulations and respond properly.

<Reference>

 Ministry of Economy, Trade and Industry Pollution Prevention Guidelines: <u>http://www.meti.go.jp/policy/energy\_environment/kankyokeiei/environmentguideline/index.</u> <u>html</u>

•			Applicable s	suppliers				
<ul> <li>2) Reducing CO<sub>2</sub> emissions         <ol> <li>1) Reducing CO<sub>2</sub> emissions at sites</li> </ol> </li> </ul>	Raw materials, Parts, Indirect materials	Packaging materials	Processing on commission	Distribution	On-site outsourcing	Equipment materials		
31163	0	0	0	_	0	0		
<ul> <li>We request our supplier activities at their sites, propromote CO2 reduction to We will check our supplier</li> <li><examples initiatives="" of=""></examples></li> <li>Saving energy when expower on holidays, etc.</li> <li>Optimizing conditions of hours, consolidating equipment with an inverse of a consolidating equipment with an inverse of the solar power generation</li> <li>Material and design charts</li> <li>Use of recycled material</li> </ul>	rs to referrin omote the ut oy reducing to ers' CO <sub>2</sub> emi quipment is r ) of equipment, etc vith an energy erter function ergy (prehea system, usi anges result als and biom	ig to the ir ilization of the size an- ssions (inc not used (c coperation c.) gy-saving ty , etc.) ting hot wa ng wood pe ing in smal lass materi	nitiatives belo raw material d weight. luding energ ompartment (adjusting ai /pe (LED light ter supply us ellets or othe ler and light als	ow to pror s with low y use) eve alizing ligh r pressure nt, high effi sing solar h er biomass er products	note CO2 CO2 emiss ry year. ting, turning , adjusting ciency mot neat, introd fuels, etc.) S.	reduction ions, and g off the operation or, ucing a		
<references> <ul> <li>CO<sub>2</sub> Reduction Navi for</li> </ul></references>	Business O	perators: <u>h</u>	<u>ittp://co2-por</u>	<u>tal.env.go.</u>	<u>jp/</u>			
Sustainable open Innovation Initiative: <u>https://sii.or.jp/</u>								

			Applicable	suppliers		
<ul> <li>2) Reducing CO<sub>2</sub> emissions</li> <li>(2) Reducing CO<sub>2</sub> emissions from distribution</li> </ul>	Raw materials, Parts, Indirect materials	Packaging materials	Processing on commission	Distribution	On-site outsourcing	Equipment materials
distribution	0	0	—	0	—	0

a.Distribution commissioned by Yazaki Group companies

•We request our suppliers that are commissioned to distribute the Yazaki Group's products and parts to understand our companies' efforts in reducing  $CO_2$  emissions in the distribution process and cooperate in the following:

► Improving fuel efficiency by installing digital tachographs and promoting eco-driving

- ► Use of low CO2 emission fuel such as biodiesel
- Introducing fuel-efficient vehicles. electrification of vehicles (BEV/FCEV/PHEV/HEV)
- b.Distribution for delivery by suppliers

•We request our suppliers to reduce their  $CO_2$  emissions in the distribution process when delivering to Yazaki Group companies. We also request our suppliers to cooperate regarding the Yazaki Group companies' efforts toward reducing the amount of packaging materials used.

Improvement of loading rate by introducing Milk run etc.

• Utilization of low CO2 emission transportation means

(Modal shift, shipping by LNG / hydrogen ship, air transportation using e-Fuel, etc.)

			Applicable s	suppliers		
3) Reducing generated waste	Raw materials, Parts, Indirect materials	Packaging materials	Processing on commission	Distribution	On-site outsourcing	Equipment materials
	0	0	0	0	0	0

We request our suppliers to promote efforts to reduce generated waste based on the 5 R's by referring to the initiatives below. We will check the amount of waste generated by our suppliers every year.

<Examples of initiatives>

- Recycling by sorting unused goods into detailed categories (separating by material for recycling)
- Improving yielding percentage
- Reducing resources used by making products smaller or lighter
- Reduction of disposable plastics etc.

4) Effectively using water resources, minimizing impact	Raw materials, Parts, Indirect materials	Packaging materials	Processing on commission	Distribution	On-site outsourcing	Equipment materials
	0	0	0	—	0	0

We request our suppliers to promote "the reduction of water use (effective use of water resources)" and "improvement of discharged water quality (minimizing impact)" by referring to the initiatives below. We will check the amount of water used by our suppliers every year.

<Examples of initiatives for reducing water use>

- Recycling cooling water for equipment
- Optimizing the flow of water used for equipment
- Installing water-saving valves
- Installing a rainwater tank (using rainwater)
- <Examples of initiatives for improving discharged water quality>
- Installing discharged water management equipment (neutralization tank, grease trap, etc.)
- Stopping discharged water from being generated by equipment

#### <Reference>

- World Water Council: <u>https://www.worldwatercouncil.org/en</u>
- Ministry of Land, Infrastructure, Transport and Tourism water resources: http://www.mlit.go.jp/mizukokudo/mizsei/index.html

			Applicable s	suppliers		
5) Reducing VOCs and chemical substances designated by	Raw materials, Parts, Indirect materials	Packaging materials	Processing on commission	Distribution	On-site outsourcing	Equipment materials
	0	0	0	—	0	0

We request our suppliers to promote efforts to reduce volatile organic compounds (VOCs) and chemical substances designated by the PRTR law by referring to the initiatives below.

<Examples of initiatives>

- Switching to low-VOC cleansers (water-soluble type, etc.)
- Reducing volatilization volume by lowering liquid surface area, etc.
- Optimizing the amount of application/use (reducing excess use)
- · Collecting and reusing used organic solvents

<Reference>

- Ministry of the Environment: <u>http://www.env.go.jp/air/osen/voc/materials.html</u>
- Tokyo Metropolitan Government Bureau of Environment:

http://www.kankyo.metro.tokyo.jp/air/air pollution/voc/index.html

6)	Managing chemical substances		Applicable suppliers						
	<ul> <li>contained in delivered items</li> <li>① Developing a system for managing environmentally</li> </ul>	Raw materials, Parts, Indirect materials	Packaging materials	Processing on commission	Distribution	On-site outsourcing	Equipment materials		
	hazardous substances	0	0	0	_	_	0		

We request our suppliers, including your suppliers, to develop a management system ensuring that environmentally hazardous substances are not contained in products and the like.

Please note that we will request submission of the results of our suppliers' voluntary checks and conduct on-site audits to check our suppliers' systems for managing environmentally hazardous substances.

<ul> <li>6) Managing chemical substances contained in delivered items</li> <li>2 Managing chemical substances in parts</li> </ul>			Applicable	e suppliers		
	Raw materials, Parts, Indirect materials	Packaging materials	Processing on commission	Distribution	On-site outsourcing	Equipment materials
	0	_	0	_	_	_

a. Managing chemical substances contained

• We request our suppliers to satisfy the requirements in the latest GADSL and the latest Yazaki Group Self-Control Substance List (related form). Additionally, we may request individual suppliers to cooperate for a survey or replacement.

- b. Reporting chemical substances contained
  - We request our suppliers to submit IMDS data by the designated date according to the requestor's instructions. We also request our suppliers to report updated data or datasheets when they change any component or the weight.
  - We may request our suppliers to submit measurement data of lead (Pb), mercury (Hg), cadmium (Cd), hexavalent chromium (Cr (VI)), polybrominated biphenyls (PBB), polybrominated diphenyl ether (PBDE), and specific phthalate esters (DEHP, DBP, BBP, DIBP).

\* We have separately set management conditions for products other than automotive devices. As for management conditions and documents to be submitted, we ask our suppliers to respond to requests from the department in charge of the specific product.

c. Management of chemical substance notifications

 In order to prevent the omission of notification to countries subject to chemical substance notification regulations, please report to us if you include chemicals such as rust inhibitors (powder) in the product packaging box for product protection.
 \*Chemicals (goods corresponding to liquids, gases, powders, and granules)

6)	Managing chemical substances contained in delivered items ③ Managing chemical substances in raw materials and indirect materials	Applicable suppliers							
		Raw materials, Parts, Indirect materials	Packaging materials	Processing on commission	Distribution	On-site outsourcing	Equipment materials		
		0	_	0	—	_	_		
a.	<ul> <li>Managing chemical substances contained</li> <li>We request our suppliers to satisfy the requirements in the latest GADSL and the latest Yazaki Group Self-Control Substance List (related form). Additionally, we may request individual suppliers to cooperate for a survey or replacement.</li> </ul>								
b.	<ul> <li>Reporting chemical substances contained</li> <li>We request our suppliers to submit IMDS data by the designated date according to the requestor's instructions. We also request our suppliers to report updated data or datasheets when they change any component or the weight.</li> <li>We may request our suppliers to submit measurement data for lead (Pb), mercury (Hg), cadmium (Cd), hexavalent chromium (Cr(VI)), polybrominated biphenyls (PBB), polybrominated diphenyl ether (PBDE), and specific phthalate esters (DEHP, DBP, BBP, DIBP).</li> <li>We request our suppliers to submit SDS and attach GHS labels conforming to the regulations of countries where we use raw materials or indirect materials.</li> </ul>								
	• We request our suppliers to submit results on checking for conformity to the chemical regulations of countries where we use raw materials or indirect materials by the designated date according to the requestor's instructions. In the case of the first delivery and when we change countries where the materials are used or where laws								

and regulations have been revised, we may request additional checking if necessary.
\* We have separately set management conditions for products other than automotive devices. As for management conditions and documents to be submitted, we ask our suppliers to respond to requests from the department in charge of the specific product.

6)	Managing chemical substances contained in delivered itemsR mate Pa Ind mate gackaging materials	Applicable suppliers					
		Raw materials, Parts, Indirect materials	Packaging materials	Processing on commission	Distribution	On-site outsourcing	Equipment materials
		0	0	0		—	

a. Managing chemical substances contained

• We request our suppliers to satisfy the requirements in the latest GADSL and the latest Yazaki Group Self-Control Substance List (related form).

Additionally, we may request individual suppliers to cooperate for a survey or replacement.

- b. Reporting chemical substances contained
  - We may request our suppliers to submit measurement data of lead (Pb), mercury (Hg), cadmium (Cd), hexavalent chromium (Cr(VI)), polybrominated biphenyls (PBB), polybrominated diphenyl ether (PBDE), and specific phthalate esters (DEHP, DBP, BBP, DIBP).

\* We have separately set management conditions for products other than automotive devices. As for management conditions and documents to be submitted, we ask our suppliers to respond to requests from the department in charge of the specific product.

6) Managing chemical	Applicable suppliers					
contained in delivered items 5 Managing chemicals in	Raw materials, Parts, Indirect materials	Packaging materials	Processing on commission	Distribution	On-site outsourcing	Equipment materials
materials	_	—	_	—	—	0

a. Managing chemical substances contained

• We request our suppliers require that there is no content that violates the latest RoHS directive.

Additionally, we may request individual suppliers to cooperate for a survey or replacement.

- b. Reporting chemical substances contained
  - We may request our suppliers to submit measurement data of lead (Pb), mercury (Hg), cadmium (Cd), hexavalent chromium (Cr (VI)), polybrominated biphenyls (PBB), polybrominated diphenyl ether (PBDE), and specific phthalate esters (DEHP, DBP, BBP, DIBP).
  - \* We have separately set management conditions for products other than automotive devices. As for management conditions and documents to be submitted, we ask our suppliers to respond to requests from the department in charge of the specific product.

	Applicable suppliers					
7) Promoting biodiversity	Raw materials, Parts, Indirect materials	Packaging materials	Processing on commission	Distribution	On-site outsourcing	Equipment materials
	0	0	0	0	0	0

We request our suppliers to understand the importance of biodiversity conservation, such as nature conservation, and carry out possible activities leading to biodiversity promotion, such as activities in cooperation with or in partnership with local governments or organizations that are working on forest conservation or other nature preservation projects, or corporate green land management.

<Examples of initiatives>

- Procuring biodiversity-friendly raw materials (e.g., FSC-certified paper)
- Managing green land by considering biodiversity, such as developing a habitat for living organisms (biotope, etc.) and adopting native species
- Carrying out social contribution activities, such as maintaining forests or *satoyama* (village forest)

<Reference>

- Convention on Biological Diversity: <u>https://www.cbd.int/</u>
- Let's Study Biodiversity: <u>https://www.jema-net.or.jp/Japanese/env/lsb.html</u>

### 6. Terminology

#### 1) Decarbonization

It is a movement to curb the emission of greenhouse gases such as carbon dioxide (CO2), which is a major factor in global warming.

#### Carbon neutral When the deduction of the absorption of GHGs from the emission results in 0.

#### 3) Decarbonized society

It is a society that aims for "substantially zero" greenhouse gas emissions that cause global warming.

#### 4) Greenhouse gas (GHG)

The seven gases defined by the "Promotion of Global Warming Countermeasures act"

• Carbon dioxide, Methane, Dinitrogen Monoxide, Sulfur Hexafluoride, Nitrogen Trifluoride

•Hydrofluorocarbons specified by Cabinet Order

•Perfluorocarbons specified by Cabinet Order

5) Renewable energy

Solar power, wind power, hydraulic power, geothermal power, solar heat, heat in the atmosphere or other heat that exists in nature and biomass (biologically-produced organic resources, such as wood chips and livestock waste) are defined as renewable energy.

Renewable energy is advantageous energy that can be used repeatedly without depleting resources and that emits virtually no  $CO_2$  causing global warming at the time of power generation or heat use.

6) Corporate sustainability

An initiative aimed at long-term management while considering the impact that a company has on society, such as the environment and economy, through its business activities.

7) VOCs (volatile organic compounds)

Volatile organic compounds are contained in paint, print ink, adhesives, cleansers, gasoline, and paint thinner.

Representative VOCs include toluene, xylene, and ethyl acetate. VOCs are deemed to be one of the causative substances that cause photochemical reactions in the atmosphere, which result in photochemical smog.

8) PRTR (Pollutant Release and Transfer Register) PRTR is a mechanism used to identify, quantify, locate and disclose the amount of suspected hazardous chemical substances emitted to the environment such as the atmosphere, water, and soil (emissions) and how much is transferred as waste (transfer).

#### 9) Biodiversity

Biodiversity refers to a state where not only human beings but also diverse living organisms, including animals, plants, and insects, exist while being connected to each other. Activities to maintain this state include forest conservation, conservation of endangered species, and extermination of alien species.

#### 10) Raw materials

Metals, resins, rubber, and other materials used to satisfy product function and performance.

#### 11) Parts

Parts refer to constituents of products, specifically molding parts, for a lengthy product, and electronic parts.

#### 12) Indirect materials

Materials, excluding parts and raw materials, that can be parts of products or that are attached to products.

#### 13) Packaging materials

Materials used for packaging, protection and fixing.

(e.g., cardboard, tape, plastic bags, banding bands, paper tape, cushioning materials)

#### 14) ISO 14001

An international standard on the management system for voluntarily, proactively and continually working on environmental conservation under the theme of sustainable development, which is not limited to compliance with laws and regulations and reducing environmental risks. ISO 14001 can be a management tool that helps to address increasingly serious environmental issues and achieve healthy operations and further development of economic activities by eliminating waste to be in harmony with environmental conservation.

#### 15) Eco Action 21

As an integration of the environmental management system, environmental performance evaluation and environmental report, Eco Action 21 is designed to enable small- and medium-sized businesses to carry out voluntary and proactive environment-friendly activities and compile and disclose results of their initiatives as environmental activity reports.

#### 16) Eco stage

Eco stage is one of environmental management system. There are five stages, from eco stage 1 where the environmental management system is introduced to eco stage 5 where CSR is fulfilled.

Businesses can start from any stage that suits their strength and purpose and then steadily establish PDCA cycles and improve their level in a phased manner. High consistency with ISO is another characteristic; eco stage 2 is nearly equivalent to ISO 14001.

#### 17) Biodiesel

A general term for diesel engine fuel made from biological oil, and one of the biomass energies. Oil that is made possible to use in diesel engines through chemical procedures, such as lowering the viscosity by removing glycerin from the oil via transesterification

#### 18) BEV

Abbreviation for "Battery Electric Vehicle", which means an electric vehicle. It is a vehicle that runs on electricity using only a motor as a power source.

#### 19) FCEV

Abbreviation for "Fuel Cell Electric Vehicle", which means "fuel cell vehicle". It is a vehicle that runs on hydrogen power generation, powered by a motor.

#### 20) PHEV/HEV

PHEV is the abbreviation of Plug-In Hybrid Electric Vehicle. HEV is the abbreviation for Hybrid Electric Vehicle. Using a motor and an engine as the power source, these are cars that run on electricity and gasoline. PHEV can be charged with an external charger.

#### 21) Milk run

It is a name for a purchasing transportation format that collects goods and parts by tour multiple suppliers. Its` name is originated from the milk collectors that circulated farms in the United States.

#### 22) Modal shift

To convert freight transportation, which is carried out by automobiles such as trucks, to the use of railroads and ships, which have a low environmental impact.

#### 23) e-Fuel

Electro fuel (synthetic fuel). It is a liquid hydrocarbon chain (fuel) produced by catalytic reaction of H2 and CO2 produced by electrolysis of water. It can be mixed with gasoline fuel or diesel fuel. It helps reduce CO2 emissions from vehicles with engines, including HEVs, while driving.

#### 24) 5R's

The 5R's is the concept of resource recycling at the Yazaki Group, which adds refuse and repair to the 3R's promoted by Japan's Ministry of the Environment.

Reduce: Minimize generated waste Reuse: Reuse items that will become unnecessary as much as possible Recycle: Recycle items that cannot be used as resources Refuse: Do not purchase items that will end up as waste

Repair: Reuse items after repairing them

#### 25) GADSL (Global Automotive Declarable Substance List)

GADSL, issued by GASG\*, is a list of chemical substances that have been, or will be, regulated by chemical substance regulations in each country and that can be contained in automotive products.

URL: <u>https://www.gadsl.org/</u>

\* GASG (Global Automotive Stakeholders Group) is an organization comprising representatives from automobile and automotive parts manufacturers and chemical manufacturers in Japan, U.S.A. and Europe.

#### 26) IMDS (International Material Data System)

A global-standard material data collection system in the automotive industry that allows entry of materials and substances contained in products in a standardized format by following a standardized process.

URL: http://www.mdsystem.com/imdsnt/startpage/index.jsp

27) SDS (Safety Data Sheets)

Safety data sheets are sheets on which information required for the safe handling of chemical substances and raw materials that contain chemical substances is stated.

- 28) GHS (Globally Harmonized System of Classification and Labeling of Chemicals) GHS is a system to classify chemicals by type and by level of hazard according to universal rules, label chemicals to grasp the information at a glance, and provide safety data sheets. Many countries have enacted laws that require GHS-compliant provision of SDS and labeling.
- 29) RoHS Directive (Restriction of Hazardous Substances)

(Directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment)

This Directive aims to establish laws on specific hazardous substances in electrical and electronic equipment and minimize the risks of environmental and human health at all stages from production to disposal.

It has been fully prohibited to use the following ten substances: lead (Pb), mercury (Hg), cadmium (Cd), hexavalent chromium (Cr6+), polybrominated biphenyl (PBB), polybrominated diphenyl ether (PBDE), and specific phthalate esters (DEHP, DBP, BBP, DIBP), excluding some exceptions.

30) FSC-certified paper

Paper certified by the Forest Stewardship Council (FSC), an international NPO established in 1993, as using wood chips from forests under economically sustainable forest management.

Products in which FSC-certified paper is used are labeled with the FSC logo.

31) Biotope

A small area created or restored as a permanent living space for animals or plants. A biotope can be incorporated when creating parks or developing rivers.

### 7. Related Form

- Yazaki Group Self-Control Substance List
- \* The latest list is available at: https://www.yazaki-group.com/file/csr\_managementlist\_1\_1.pdf
- Supplier CSR Guidelines
   <u>https://www.yazaki-group.com/file/csr\_supplier\_e.pdf</u>

# 8. Revision History

Established on February 10, 2004:1<sup>st</sup> edition Revised on November 16, 2006: 2<sup>nd</sup> edition Revised on September 12, 2018: 3<sup>rd</sup> edition Revised on January 20, 2020: 4<sup>th</sup> edition Revised on January 12, 2024: 5<sup>th</sup> edition

### 9. Contact

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