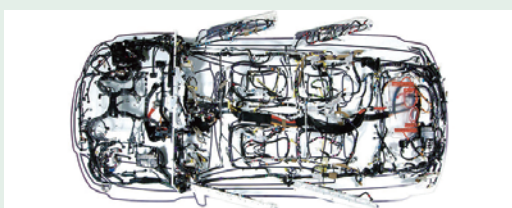


Yazaki Corp. & Forestry Entry Background

About Yazaki Group

We are the Yazaki Group of trust, which supports society everywhere.

In your car, home, and city, the Yazaki Group's products support your safety and comfort. We have developed a wide variety of products, from automotive wire harnesses to electric wires, gas appliances, air conditioners and solar thermal appliances. In addition, we are taking on new businesses centered on nursing care and eco-businesses.



Company name	Yazaki Corporation
Establishment	October 8, 1941
Representative	Riku Yazaki, President and Representative Director
Address	- Head Office W Building 7F, 1-8-15, Konan, Minato-ku, Tokyo 108-0075 - Y-CITY 1500 Mishuku, Susono City, Shizuoka 410-1194
Capital	3,191.5 million JPY *Yazaki Corporation is a privately held company.
Group companies	Yazaki Meter Co., Ltd. (established in 1950) Yazaki Parts Co., Ltd. (established in 1959) Yazaki Energy System Corporation*1
Number of Group corporations *2 and 3	Countries with bases: 46 countries and regions of Domestic: 45, Overseas: 96, A total of 141 corporations
Number of Group employees *3	Domestic: 17,873, Overseas: 223,611, Total of 241,484 employees

*1 Established as Yazaki electric wire corporation in 1963 and changed its trade name in 2012.

*2 Number of corporations and employees refers to YAZAKI Corporation and its domestic and overseas consolidated subsidiaries, excluding equity method affiliates, non-consolidated subsidiaries, affiliates and related foundations.

*3 The number of employees includes regular employees, junior employees, employees seconded from other companies, temporary employees, and reemployed persons. Accepted assigned employees include those seconded from outside the Group to the Group, excluding those seconded from our Group to outside the Group.

Why does auto parts manufacturer start Forestry?

01

ISSUES & NEEDS

Issues

- 1 Change in Labor Environment
- 2 Change in Automotive Business



Customer Needs

- 1 Reduction of Manufacturing Costs
- 2 Reduction of Manufacturing Lead Time
- 3 Proposal of New Business Models

02

MISSION

Optimal Allocation of Management Resources

Contribution cost reduction by downsizing direct and indirect personnel

Creation of new businesses as a reallocation of resources through downsizing personnel

Steps with Yusuhara Town

Regional Recycling of Forest Resources in Cooperation with Yusuhara Town in Kochi Prefecture

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" .

2005

Launched regional recycling project for forest resources (Trinity of government, local residents and companies)

2008

Started plant operations in Yusuhara Pellet Corp.

About Yusuhara Town

Rich natural small mountain town surrounded by Shikoku Karst

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

(National census by MIC in 2020)



Yazaki Corp. & Forestry Achievements

Issues Emerging from Cooperation with Yasuhara Town

Social Issues

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

Yusuhara Town Issues

- Lack of forestry workers
- Operation safety / efficiency / labor saving
- Rising material costs
- Improve wood value

YAZAKI's Management Issues

- Existing business capability
- Recover previous new business
- Adopt environmental changes
- Once-in-a-century revolution
- Carbon neutrality



Purpose of The Effort

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

Achievement

- 1 Improve the safety of afforestation operations and break away from dirty, dangerous and demeaning forestry
- 2 Contribute carbon neutrality
- 3 Create new value and new business beyond the barrier between automotive business and forestry

What Yazaki Group Can Do!

Focus Issues of Afforestation Project

1 Operation Safety / Efficiency / Labor Saving

- Not progressing reforestation due to mainly large costs
- Labor shortages due to harshness of the work

2 Rising Material Costs

- Not optimized container seedling production and the cost more than bare seedlings
- Produce and delivery elite trees in part of prefectures
- Rising forestry material costs due to price hike

3 Improve Wood Value

- Forest owners are not interested in forestry management due to slump in wood prices
- Not interested in forests due to no benefit for regeneration-cutting and reforestation

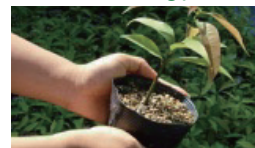
Solution Ideas

Create additional value for forestation works



Review forestation work process (work efficiency / improve productivity)

Elite tree seedling production



Establish early production technology
Elite tree seedling

Improve labor environment



Develop special vehicles for forestry workers (improve dirty/dangerous demeaning works, safety / security / comfort)

R&D of protective net

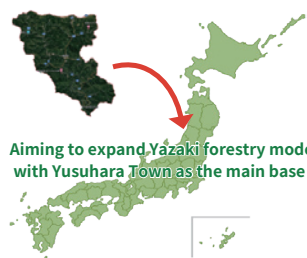


Internal manufacturing single tree protective net
Improve work efficiency, reduce costs

Create new wood demand



Manufacture auto parts
Planning / development of BtoC products
Promote "using" / create hiring



Aiming to expand Yazaki forestry model with Yasuhara Town as the main base