

# We Aim to Be an Enterprise That Shares Its Values with Stakeholders and Keeps Offering Solutions for a More Prosperous Society

## The Yazaki Group's Roles and Responsibilities in Society

**At the Yazaki Group, pursuing Monozukuri (craftsmanship) that contributes to society is our purpose in life.**

Since our founding in 1941, the Yazaki Group has conducted business with the ideal of contributing to society through manufacturing based on the Yazaki Group Corporate Policy, which calls on us to be “A Corporation in Step with the World” and “A Corporation Needed by Society.” As a result, we have continued growing along with society and members of the community.

The “manufacturing that contributes to society” that we have so carefully pursued all along is the manufacturing that pays close attention to stakeholders’ expectations and demands and contributes to society through products and services. This means that we carefully consider what kind of contribution we can make to protect the global environment, meet our customers’ expectations, grow together with our business partners, make our employees and their families happy, and promote development of local communities. We also closely consider what we can do to help solve issues for society and our stakeholders, and then act on it.

When we conduct enough such actions, it helps us live up to society’s trust and expectations and achieve the Yazaki Group Corporate Policy. The Yazaki Group will continue to manage according to the Yazaki Group Corporate Policy, pursue manufacturing that contributes to society, and thereby grow sustainably with society.

## Recognition of and Response to the Business Environment and Social Issues

**Facing Social Change and Issues Head-on to Find Solutions**

The automobile industry is undergoing a once-in-a-century transformational period, and the business environment facing the Yazaki Group is likewise changing moment by the moment. Advanced technologies like CASE and MaaS are rapidly advancing. There are raising demands for solutions that use those technologies to solve social

issues. We are also seeing a shift in values from products to experiences. It is urgent for us to be able to respond to the change in times.

Technological progress is enriching people’s lives, but on the other hand, as the 17 goals set out in the SDGs suggest, global-scale social issues like poverty, disparity, discrimination and other issues of human rights, as well as climate change, loss of biodiversity, and issues of resources, are growing more serious. These issues are interrelated and become even more complex when combined with nations’ and local communities’ own issues. Moreover, the risks resulting from these issues threaten the stability of economies and markets, which means that the Yazaki Group, a global business, cannot turn a blind eye toward them.

At a time of profound transformation, do we take the business environment—in which social issues are growing more diverse and complex—as a risk or as an opportunity? I take it as an opportunity. Over its long history, the Yazaki Group has engaged in a wide range of businesses and built a global network. In this manner, we have built trusting relationships with stakeholders and maintained a steady dialogue with them. One of the strengths of the Yazaki Group is that, by doing so, we have been quick to perceive social trends and expectations as well as latent risks. My aim going forward is to ensure the Yazaki Group remains an enterprise that can resist and respond to risk and uncertainty and can proactively seek solutions to social issues to achieve a prosperous future.

## Identifying Priority Issues for Promoting CSR

**Priority Issues are a Yazaki Group Promise to Achieve Sustained Growth with Society**

The state of an enterprise’s environmental and social initiatives has a greater and greater impact on its corporate reputation and value, as well as its trade, every year. Because we have such diverse stakeholders, the Yazaki Group recognizes that our sustained growth absolutely depends on taking a risk-or-opportunity perspective to verify the impacts the external environment has on us and the impacts our business activities have on society and carefully controlling these impacts.



*Shinji Yazaki*

President, Yazaki Corporation

In fiscal 2018, we identified six priority issues for promoting CSR. Our focus in this process was to simultaneously achieve solutions to social issues and the sustained growth of the Yazaki Group. To identify the priority issues, we first drew up a list of issues comprehensively, based on factors like social trends and stakeholder demands. Then, viewing these in light of the Yazaki Group Corporate Policy, our business strategy, and the like, we asked what kind of social issues we could help to solve if we used the Group's strengths. On the other hand, we identified impacts that our business activities have on society by convening a series of discussions that brought in our management team, managers from divisions concerned, and outside experts.

- Offer solutions to increase society's prosperity
- Build healthy and solid supply chains
- Establish a truly strong organization
- Contribute to development of local communities
- Strengthen the global environmental management system
- Enhance global governance and internal control

The priority issues identified by this process are critical for raising the Yazaki Group's corporate value and furthering its growth, and they constitute a promise to achieve sustained growth with society. Going forward, we will be linking the identified priority issues with our medium- to long-term business strategy and the policies and missions of each division, and we will practice target management. We will also use the CSR Report to faithfully report the outcomes of initiatives, issues that we encounter, contribution to SDGs, and so on. We will furthermore review and revise the priority issues as appropriate in light of social trends and the direction of the Yazaki Group.

**Realizing a Sustainable Society**  
**Ensuring Stakeholder Happiness is What Motivates Us to Grow**

The pursuit of human prosperity and the ongoing history of business for the sake of expansion and growth are certainly

factors contributing to the social issues I mentioned above. To achieve sustainable development in step with the community and leave a prosperous society to the next generation, it is important not to have vision for the future that is based on society's expansion and growth, but to backcast from our long-term vision—what we hope to achieve in 10, 20, and 50 years. That way, we can consider what is necessary to get to a sustainable society. It is in this manner that the Yazaki Group will consider how we can contribute to the realization of a sustainable society, and we will act accordingly.

I am always telling people how important it is to “think globally, act locally.” I tell them constantly, “Ask yourself whether you really understand the root cause of the issues faced by each nation and region, or whether you are imposing your own ideas on the situation.” Taking a global view and understanding each country's and region's culture, history, customs, and values are important for developing sustainably with society. Not every country and region necessarily has the same social issues and ways of solving them. Therefore, in addition to looking at the issues themselves, understanding the background to each issue and using that as a starting point can lead to real solutions.

The Yazaki Group has grown to conduct business in 45 countries and employ about 250,000 diverse people around the world today thanks to the support of our stakeholders. As the scale of our business expands, so does our impact on society and stakeholders, as well as our social responsibility and the role we need to play. With the Yazaki Group Corporate Policy as our foundation, we will continue to join hands with the international community and our stakeholders to actively contribute to the realization of a sustainable society and the achievement of SDGs.

And nothing would make me happier than if these initiatives bring joy to our associates, friends, and family members around the world. The vision of happy and delighted stakeholders is what motivates us to grow.