

Priority Issues for Promoting CSR



Solutions for a More Prosperous Society



Background and Recognition of Issues

As a business operating in 45 countries, the Yazaki Group must make a greater effort to develop in step with the community and realize a sustainable society.

We believe it is increasingly important to use the manufacturing we have cultivated since our founding to offer services and solutions that solve communities' issues and meet customer needs.

Vision

The Yazaki Group Corporate Policy, a constant anchor for our business, calls on us to be "A Corporation in Step with the World" and "A Corporation Needed by Society." In line with this, we believe that continuing to provide the highest value to customers all over the world and contributing to society through manufacturing is our mission and our purpose to exist.

The Yazaki Group has maintained the Yazaki Spirit (Fortitude, Service and Vision) since our founding. Therefore, we do not forget our origins as a manufacturing company and aim to make society more prosperous and offer solutions through our business activities.

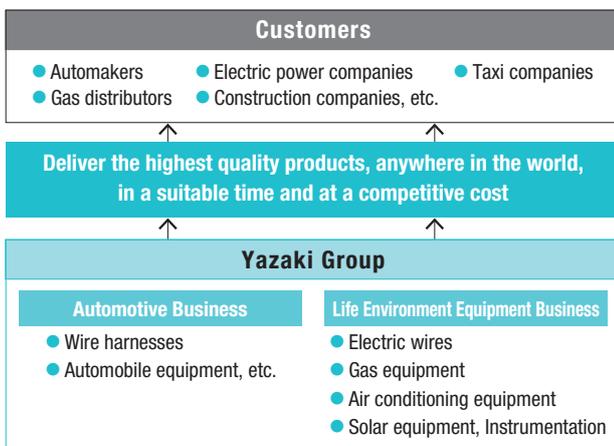


Responsibilities to Customers

Basic Concept

Ever since being founded in 1941, based on our desire to connect to society through manufacturing and to provide the highest value to customers all over the world, the Yazaki Group has continually engaged in business activities to live up to the trust and expectations of society. To fulfill our responsibility to deliver the highest quality products, anywhere in the world, in a suitable time and at a competitive cost, we provide products and services that constantly delight customers. With this goal in mind, each and every employee of the Group considers and acts from the customer's point of view and aims to continue to be the best partner for customers.

Business and Customers of the Yazaki Group



Initiatives in the Automotive Business

In order to identify changing social trends and customers' needs from a global perspective in real time and respond accurately to them, it is essential that all related departments cooperate with each other. To that end, the Yazaki Group pursues orders through an integrated effort by the development, production, sales, and Administration divisions for each customer. In regards to compliance with laws and regulations, we act to ensure that the activities are always conducted with completion including cross-divisional management.

Since fiscal 2016, we have standardized work processes in the development of vehicle products with the aim of accurately responding to the needs of customers all over the world. Based on these, we collaborate between divisions so that we can and take production preparation initiatives to respond promptly when our customers introduce a new model or make model changes. These work processes enable the Yazaki Group as a whole to achieve each of its QCDE goals in product development and effectively ensure the quality of work and help pave the way to improving customer satisfaction.

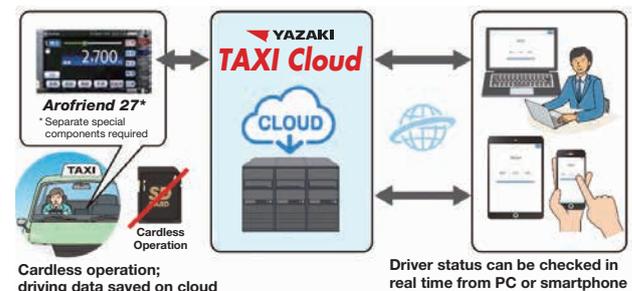
Initiatives in the Life Environment Equipment Business

Instrumentation Operations

Under the concept of connecting vehicles with infrastructure, the Yazaki Group contributes to the realization of a smart community-based, safe, low-carbon society by providing instrumentation system products that help solve the issues facing a motorized society, including safety and security, environment and energy conservation, and efficiency and convenience.

Since 1962 when we built a nationwide service network centering on tachographs, we have been enhancing our after-sales service, including the installation, component replacement, and repair of instrumentation devices in collaboration with distributors.

We have also contributed to the improvement of customers' businesses by improving the efficiency of vehicles and labor management, including safety and eco-friendly driving, with the *DTG 7*, a digital tachograph that matches the needs of each industry, the *Arofriend 27*, a digital tachograph with a built-in taximeter, and the taxi industry's first cloud service.



Providing customers with taximeter fare information and the like in real time through a cloud system makes things more convenient and efficient. We also achieved the industry's first fare revision via communications.

Electric Wire Operations

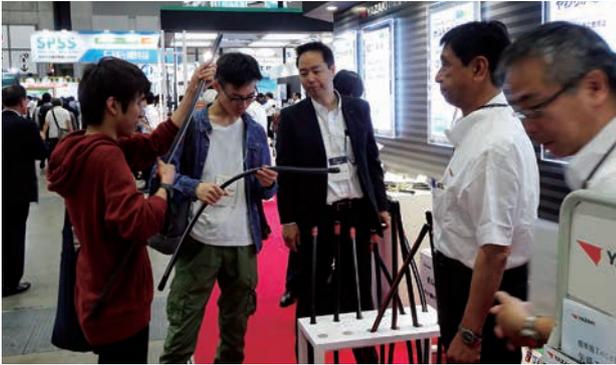
We exhibited at the JECA FAIR (Japan Electrical Construction Equipment and Materials Fair) held in May 2019. We have taken part in this event since 2013. This year, our seventh time to participate, we not only exhibited products but also introduced initiatives of the development divisions and our future directions. Displays included products listed in the Ministry of Land, Infrastructure, Transport and Tourism's New Technology Information System (NETIS),* and visitors could touch products directly to learn about them. We are utilizing the feedback and requests we received at the fair in our product development with the aim of improving customer satisfaction in the future.

* A database system established to share and provide information relating to new technologies to promote their use

Gas Equipment Operations

Since 1963 when we first started selling LP gas meters in Japan, the Yazaki Group has been providing products and services that ensure the safe use of gas by customers. Moreover, we have our own qualification system in place for designated gas equipment service shops (GSS) which sell our gas equipment and provide services related to it. The system aims to encourage GSS employees to acquire and maintain knowledge and skills related to gas equipment.

The Yazaki Gas Equipment Training Center, established in 1981, was designated as a training facility for authorized LP-gas facilities managers by the Ministry of Economy, Trade and Industry, and has been providing the education required for LP gas plumbing. In fiscal 2018, we held four seminars and a total of 67 trainees passed the authorized LP-gas facilities manager test. So far, a total of 1,667 trainees have passed the test. Through these efforts, we will continue to provide safe services to customers.



Trade fair visitors experience product characteristics directly



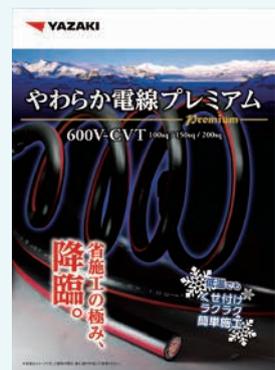
Lecture for engineers

TOPICS

Development of Yawaraka Cable Meeting Customer Needs

Yawaraka cable has been hugely popular with customers since its launch in May 2010. Thicker gauges in particular have contributed to safety and workability in wiring tasks owing to their flexibility and ability to retain the desired shape in spite of their wider size. There have been customers, however, who asked for further improvements. Some noted that the cable became rigid and hard to bend in cold conditions. Others said that the sheath and insulator were too stiff, so they were hard to peel off. Yet others wanted a product that was just as easy to work with at low temperatures as at ordinary temperatures.

We developed the improved *Yawaraka Cable Premium* 600V-CVT in response. With enhanced flexibility, the cable maintains its properties even at low temperatures. Sales, which are limited to the Hokkaido and Tohoku (Northeast) areas, continued in fiscal 2018. We will continue to listen earnestly to customer comments as we contribute to the development of the electrical construction industry.



Yawaraka Cable Premium

Environmental System Operations

Environmental System Operations meets a wide range of customer needs through the provision of products and services that utilize renewable energy, such as solar heat and wood biomass, and unused energy, such as waste heat, aimed at the dawn of a new society based around natural capital.

In the wood biomass sector, we are pursuing an integrated public-private approach to the construction of a district heat supply system and its efficient operation. In Nishiwakura Village, Okayama Prefecture, Techno Yazaki Co., Ltd., a subsidiary responsible for the design and supervision of the system is working together with the village to promote a district heat supply system maintenance business.

In fiscal 2018, we largely finished introducing heat supply facilities. The only tasks remaining are to adjust the communications and measurement systems. For fiscal 2019 and beyond, we are collaborating with the village government to study the supply of wood fuel and planning initiatives to ensure quality.

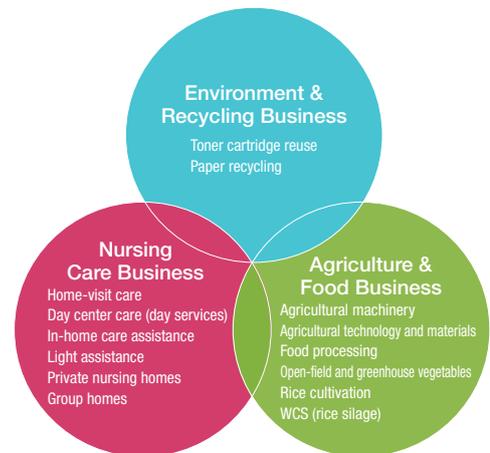


District heat supply biomass boiler

Initiatives in New Businesses

As we move more of our production overseas, the Yazaki Group is making fewer wire harnesses in Japan, creating a challenge to protect employment for those employees who sustained production up to now. To meet that challenge, the Yazaki Group is actively working on new businesses in the sectors of environment and recycling, nursing care, and agriculture. In the Environment & Recycling business, we are working on the reuse of toner cartridges from printers and on paper recycling, namely, the recycling of postcard cutting waste to make foamed paper cushioning. In the nursing care business, we operate nursing care services through Yazaki Corporation and seven subsidiaries. In the agriculture and food business, we not only grow agricultural produce but also sell processed goods using the produce we grow as we promote “sixth industrialization” in the field of agriculture. Particularly with vegetables, we are taking non-standard goods that would have been discarded in the past and instead using them to make processed goods, thereby reducing waste.

The Yazaki Group's New Businesses



TOPICS

Development of Baby Leaf Dog Food

Kumamoto Parts Corp. produces 60 tons of Baby Leaf annually. Until recently, it discarded any oversized leaves and any non-standard product such as leaf fragments that occurred during hand-picking. After listening to employee opinions, the company developed *Baby Leaf Dog Food* from the non-standard product. This initiative embodies the spirit of avoiding waste, a spirit the Yazaki Group has passed down since its founding. Developers of the dog food focused on pet health, given that there are so many older pets in recent years. After coming up with recipes, conducting mass production tests, and taste-testing with pets, sales began in September 2019.



Baby Leaf harvesting



Dog food

About Us
 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