

Sustainability Promotion Framework

We are conscious of our corporate social responsibility. As such, Yokowo is constantly striving to improve our corporate value as well as establish a sustainability promotion framework, and we will expand our corporate activities to both meet the expectations of all stakeholders and to earn their trust.

Sustainability Fundamental Policy

We achieve sustainability by constantly evolving.

We also believe we must protect our irreplaceable planet and remain true to the expectations of our local communities and stakeholders.

To this end, we identify materiality in our various activities and work to address issues through corporate activities, business operations and dialogue.

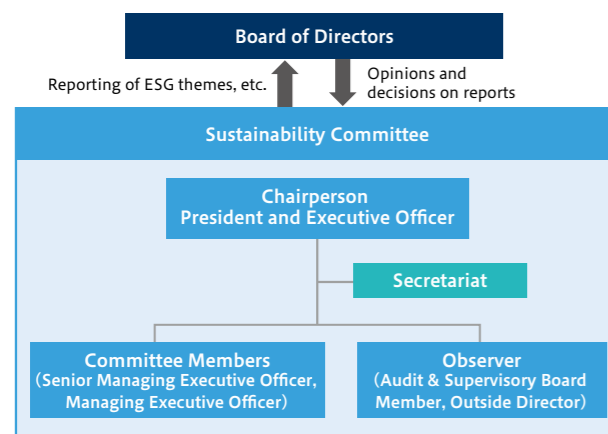
Through these efforts, we will fulfill our social responsibilities and enhance our corporate value by continuing to take on “new” challenges. In doing so, we will contribute to the development and evolution of a sustainable society.

Establishment of Sustainability Committee

We have established a Sustainability Committee as a body to comprehensively address the materialities identified by the Group.

This Sustainability Committee is tasked with formulating policies aimed at achieving the goals of these materialities and issues with implementation, and with reporting and sharing information regarding the status of Group initiatives towards sustainability to the Board of Directors.

▼ Sustainability Committee Framework



Role of Sustainability Committee

1. To prepare and review, as necessary, the draft of the Sustainability Fundamental Policy and materiality policies, taking into account factors such as the Group Corporate Philosophy structure and business environment (Decisions are made by the Board of Directors).
2. To receive reports from relevant internal organizations on materiality and ESG-related themes, and to report and assist in reporting to the Board of Directors.
3. To disseminate information accumulated from the cycle of “report to Board of Directors → disseminate opinions and suggestions from the Board of Directors to related organizations → further improve initiatives” in 2 above, along with decisions made by the Board of Directors.

Themes handled by the Sustainability Committee, and Outline

Theme	Outline
Environment	Deliberation, planning, and progress management of measures towards achieving the targets of the Group GHG emissions reduction, water resources, waste recycling, and biodiversity, and monitoring of chemical substance management status in accordance with laws and regulations in each country
Respect for Human Rights	Deliberation and progress management for the protection of human rights in the Group’s supply chain
Local Communities	Deliberation and progress management of FY2030 targets (numbers of projects contributing to local communities, etc.), and support for reviewing of action plans
Diversity and Inclusion	Deliberation and progress management of FY2030 targets (increasing ratio of female managers, number of TISP hires, etc.), and support for reviewing of action plans
Information Security	Collaboration with the Information Security Committee regarding information security activities based upon ISO27001
Occupational Health and Safety	Collaboration with the Health and Safety Promotion Committee regarding occupational health and safety activities based upon ISO45001
Treatment of Employees	Issues related to reforms in the personnel system (transition to a job-based personnel system, improved treatment, etc.) and the welfare system in general
Compliance	Promotion of awareness and education regarding compliance, including adherence to laws, regulations and internal policies, and the operation of the internal reporting system
Risk Management	Collaboration with the Business Risk Management Committee and each ISO Division regarding progress and changes in measures to handle each risk assessment item
Business Continuity Planning (BCP)	Collaboration with each business division regarding construction of BCP and its updates

Stakeholder Engagement

At the Yokowo Group, our purpose is based upon a commitment to make Yokowo a good company by employing people and technologies that work for the benefit of society today and tomorrow. We are also communicating with all our stakeholders including our customers, local communities, business partners, employees and their families, shareholders, and investors to envision a better and more prosperous future, and we aim to become an evolving, enduring company that continues to create something new.

Stakeholder	Concepts and Vision	Main Methods and Opportunities	Department Responsible
Customers	The Yokowo Group has as our objective to “Be a company that customers and their customers feel comfortable working with.” To achieve this, as well as establishing the “Yokowo Quality Brand” focusing on the highest quality and on zero hazardous chemical substances, Yokowo is making proposals from the planning stage keeping in mind the development of products that meet customer needs, always striving to understand their requests, and working to build long-term relationships of trust with customers.	<ul style="list-style-type: none"> ● Daily sales activities ● Product exhibitions ● Website 	Sales H.Q. Each Business Division
Local Communities	The Yokowo Group has as our objective to “Be a company that local communities feel comfortable interacting with,” and to this end, we feel it important to promote dialogue with local communities, as well as to contribute to their development. Our aim is to build relationships of trust with members of local communities while helping them understand our business and initiatives through activities that support their development, and initiatives that contribute to solving societal issues.	<ul style="list-style-type: none"> ● Dialogue with local governments, local residents, NPOs, and others in the areas where our plants and offices are located ● Participation in, and sponsorship of community events ● Community volunteer activities by employees ● Cooperation with, and support for local educational institutions 	General Affairs Department
Business Partners	The Yokowo Group has as our objective to “Be a company that our business partners feel comfortable interacting with,” and to this end we ensure fair and equitable transactions with our suppliers. We are focused on building relationships with business partners as an equal partner, abide by all relevant laws and regulations, and are building trust relationships based around social ethics. We are also promoting corporate activities that take into consideration human rights and the environment.	<ul style="list-style-type: none"> ● Daily purchasing activities ● Presentations on chemical substances contained in products ● Environmental assessment that includes constituent analysis of supplied items ● Questionnaires for customers, and visits ● Measures towards quality improvements 	Purchasing H.Q. Quality Assurance H.Q.
Employees and Their Families	The Yokowo Group has as our objective to “Be a company where employees feel comfortable being employed, and which ensures that employees’ families are happy for them to work there.” To this end, we are striving to respect individuality, engage in fair and equitable treatment, and create an appealing, rewarding work environment under our basic policy of promoting DEI*. Aimed at fostering a culture in which each and every employee can feel content in their day-to-day work and continue to grow, we are working on a range of environmental improvements and initiatives.	<ul style="list-style-type: none"> ● Implement employee engagement ● Employee training (training by position, education in philosophy, etc.) ● Holding of employee exchange meetings (product engineering, production engineering, QC) ● Internal portal site, in-house newsletters ● Internal reporting system and hotline 	General Affairs Department Personnel Department Public Relations Department Each Engineering Department
Shareholders and Investors	The Yokowo Group discloses information accurately, promptly, and proactively in order to build long-term relationships of trust with its shareholders and investors and other stakeholders. The Group is also conducting active, constructive dialogues with shareholders and investors in order to achieve continuous growth and to improve corporate value over the medium to long term.	<ul style="list-style-type: none"> ● Shareholder meetings ● Financial results briefings for securities analysts and investors ● Meetings with Japanese and overseas securities analysts and investors ● Website (IR, investor relations) 	Public Relations Department Corporate Secretary Department

*DEI: Diversity, Equity, and Inclusion