Promotion of Sustainability | Initiatives towards Environment | Initiatives towards Society | Risk Management | Compliance | Corporate Governance | Messages from Outside Directors | Directors and Executive Officers |

Promotion of Sustainability

Sustainability Policy

To realize our Management Principle of "Contributing to International Society and Continuously Increasing Our Contribution", we will follow our Management Markers and achieve sustainable enhancement of corporate value through resolution of the issues facing society

- We will pursue the full range of possibilities of small DC motors to help resolve issues confronting global society.
- Through all of our business activities, we will show respect not only for people but also for nature, the environment and all other things and fulfil our social responsibilities.
- To realize stable growth in the long term, we will maintain proper governance, quickly identifying risks and taking steps to eliminate or minimize these.
- We will build strong and lasting relationships of trust with all our stakeholders and contribute to our stakeholders in a sustainable manner.

System for Sustainability Promotion

As an organization directly under the Board of Directors, the Sustainability Committee is responsible for the cross-sectional examination and discussion of sustainability issues and the formulation of specific measures. It is chaired by the president and consists of executive officers and head of business units and the Headquarters. A system is in place to ensure that the oversight provided and decisions made by the Board of Directors are appropriately integrated throughout the Company by reporting the results of the Committee's deliberations to the Board of Directors.

Since its establishment in July 2020, the Committee has set specific key issues and targets for solving social issues in accordance with the Management Markers, completed signing the UN Global Compact, expressed its endorsement of the TCFD (Task Force on Climate-related Financial Disclosure) as a climate change-related initiative, and discussed specific measures to address these issues.



Sustainability Targets

We have established four materialities and eight corresponding sustainability indicators in line with the Management Markers, and are promoting sustainability initiatives for the period from 2024 to 2030.

	M	ateriality	Sustainability Indicators				
E Environment		Corporate activities without sacrificing the environment	 CO² emission reduction rate (Scope 1 and 2) Net sales growth rate of sustainable products and sustainable products premium 				
S Society		Manufacturing for the realization of an affluent society and pleasant lifestyles	Net sales growth rate of products that contribute to SDGs				
		Realization of an environment in which everyone can play an active part	 4 Percentage of women with managerial roles 5 Number of employees with global work experience 6 Number of participants in craft classes and delivery classes for children 				
G Governance		Fulfilling social responsibility	7) Frequency of occupational injuries(8) Number of serious human rights risks				

Materiality Identification Process

STEP 1	Identification of social issues	Taking into account our Management Principle, Management Markers, and business strategies, compile a broad list of environmental, social, and economic issues referencing international frameworks and guidelines, such as the SDGs, as well as macro trends across relevant fields.
STEP 2	Evaluation of significance	Assess the identified social issues in terms of their significance to both society and our company, and determine their provisional materiality.
STEP 3	Validation and approval	Engage in a dialogue with stakeholders and external experts to evaluate the validity of the provisional materiality. The Sustainability Committee deliberates to finalize the company's materiality, which is approved by the Board of Directors.
STEP 4	Setting of medium- to long- term goals	Establish medium- to long-term goals associated with the identified materiality and communicate them both internally and externally.
STEP 5	Regular review and updates	Conduct reviews as needed in response to social trends and as a part of the business strategy and management planning process.

| Promotion of Sustainability | Initiatives towards Environment | Initiatives towards Society | Risk Management | Compliance | Corporate Governance | Messages from Outside Directors | Directors and Executive Officers |

Promotion of Sustainability

KPIs and Performance on Sustainability Targets

Materiality	Actions	KPI	Related SDGs Targets	2024 Targets	2024 Results	Evaluation	2025 Targets	2030 Targets
Corporate activities that do not sacrifice - the global environment	Reduction of environmental impact in all activities within the Group including development, procurement and production	$\bigcirc CO_2$ emission reduction rate from 2018 level (Scope 1 and Scope 2)	7====== ※:	▲3%	▲9%	0	▲10%	▲30%
	Development and sales expansion of products that deliver compactness, weight reduction and energy savings	②Net sales growth rate for sustainable products and sustainable products premium (from 2023 level)	7 anti-anti- 22 anti- 22 anti- 20	+20%	+29%	0	+30%	+70%
Manufacturing that realizes an affluent society and comfortable lives for people	Sales expansion of "products for health equipment and medical device applications" and "motors that contribute to improvement of safety of automobiles (seat-belt pretensioner, electric parking brake, optical axis adjustment, haptic technology, etc,) and improvement of environmental performance (valve actuator, grill shutter)	③Net sales growth rate for applications that contribute to SDGs (from 2023 level) Subject:Health and medical applications, and products that contribute to improved safety and environmental performance of automobiles	3 ****** -/// 7 ******* 12 ***** COO	+ 5 %	+ 16%	0	+12%	+70%
Realization of an environment in which all people can play an active role	Development and appointment of female executives and managers at sites in Japan and all over the world	④Percentage of women with managerial roles	5 income	17%	17%	0	17.5%	20%
	Promotion of work overseas (secondment of employees from their own sites to sites in other countries and dispatch of trainees)	⑤Number of employees with global work experience (cumulative)	8 ***** 9 ***** 10 ***** ***	457	457	0	485	620
	Providing opportunities to deepen interest in science to children who are the next generation	⑥Number of participants in craft classes, delivery classes and others for children (cumulative total from 2024)	4 ann	700	1,399	0	1,800	5,000
Fulfillment of social responsibilities	Measures to prevent industrial accidents, improve working environments in offices and factories, and promote work-life balance	⑦Frequency of occupational injuries (number of industrial injuries per million cumulative actual working hours)	8 satur ata	0.14 or less	0.144	× (**)	0.14 or less	0.12 or less
	Implement and continue the human rights due diligence process and strengthen efforts to respect human rights throughout the supply chain	⑧Number of serious human rights risks		0	0	0	0	0

* We will promote measures to prevent industrial accidents by providing thorough safety training and improving the working environment in offices and factories.