

JATCO Sustainability Report 2024



Jatco

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2024

Introduction & Table of Contents	CEO Message	About JATCO	Sustainability Management	Environment	Business
Society	Human Capital	Business Foundation	Environmental Data for Each Production Base	Social Data	GRI Standards Reference Table

Editorial Policy

This Sustainability Report is intended for all JATCO's stakeholders, including customers, employees, business partners, and local communities. We hope to facilitate your understanding of JATCO's ongoing sustainability efforts and utilize your valuable feedback to uncover new challenges and inform future initiatives. We sincerely welcome any candid opinions or impressions you may have after reading this report.

<Survey>

<https://forms.office.com/r/32KDqbwgJn?origin=lprLink>



Reference Guidelines

GRI Standards

Reporting Period

April 2023 – March 2024

Scope

JATCO Ltd and consolidated subsidiaries in Japan and overseas

Reporting Cycle

Annually (previous report issued in December 2023)

Date of Issue

December 2024

Departments Responsible for Publication and Inquiries

Corporate Planning Department, Global Communications Department

https://www.jatco.co.jp/english/inquiry/agreement_other.html

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CEO Message

Strengthening sustainability management to contribute to the future of people, society, and the planet



JATCO Ltd
President and CEO
Tomoyoshi Sato

At JATCO, we position sustainability at the core of our corporate activities. We believe it is integral for us to be a company that is trusted and needed by our stakeholders.

The world faces many pressing challenges, including climate change, resource dependency, and various human rights issues. As a company developing its business globally, we face these kinds of challenges while also striving to provide diverse value to our stakeholders.

Central to this is our company purpose: “Driving the possibilities of mobility with technology and passion.” Leveraging our proprietary technology cultivated over many years as an automatic transmission manufacturer, we take on the challenge of new mobility possibilities. By providing valuable products and services to customers and society, we will contribute to developing a more accessible and prosperous society made possible by mobility. To extend the mindset among our employees throughout the company to take on challenges without fear of risk during this period of transformation, we have added “entrepreneurship” to the values of our corporate philosophy. In addition, we have stipulated 18 materialities as priority issues that JATCO should address.

A key pillar is our contribution to vehicle electrification. As a specialized manufacturer of automatic transmissions for gasoline vehicles, JATCO has always pursued product efficiency and offered environmentally friendly products with excellent fuel economy. In the future, we will leverage our unique technologies, including in the area of electric vehicle powertrains, to widely

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provide the market with competitive electric powertrains in terms of transmission efficiency, quietness, energy management, and more. This will raise the value proposition of electric vehicles and contribute to realizing a clean and prosperous society through their popularization. During the current fiscal year we will complete preparations in our plant in Fuji City for production of the X-in-1, an electric powertrain for Nissan Motor Co., Ltd. Along with our independently in-development ultra-compact e-Axle, etc., we aim to produce 5 million units for electric vehicles annually by 2030.

Achieving carbon neutrality and a circular economy are other key themes for us. Regarding carbon neutrality, across our entire value chain, including development, production, and logistics, we are making a global effort to attain carbon-neutral operations by 2050. Regarding a circular economy, from the perspective of “maximizing the utilization of resources,” we are making efforts aimed at the effective use of resources and reduction of waste in a variety of areas, including materials procurement, product planning and design, after-sales service, etc.

Additionally, JATCO intends to seek to apply its technologies and expertise, including in electric powertrains, to new mobility and business areas in addition to automobiles. We are working on commercializing a drive unit for electric-assist bicycles utilizing our gear and control technologies. We are also advancing our initiatives globally. For example, our Chinese subsidiary is collaborating with a leading local manufacturer to jointly develop in-wheel drive units for electric scooters. With an awareness of the circular economy, a proof-of-concept speed increaser for low-voltage wind-turbine power generation that combines reused parts from electric vehicles with our transmission gear technology is also one of these initiatives. Guided by an entrepreneurial spirit, we are exploring possibilities for resolving social issues and creating new businesses by applying JATCO technologies.

Driving and advancing these activities are JATCO’s people. Moreover, we believe that in order to achieve our activities, it is essential to respect the human rights of all of our stakeholders, including our people. In order to ensure that all individual employees (our people), who are our precious assets, can thrive energetically, we are working to build an environment in which diversity is respected and the employees can maximize their abilities and grow, regardless of job type or workplace, by not limiting anyone based on gender, age, nationality, disability, or other such attributes. We also place our employees’ physical and mental health as our foremost priorities, practicing health management aimed at employee well-being and sustainable company growth. Our efforts have earned us designation among Japan’s “White 500” corporations for outstanding health and productivity management by the Ministry of Economy, Trade and Industry for six consecutive years.

Earning societal trust requires all employees to comply with various laws and policies and act fairly and with integrity guided by a high sense of ethics. We strive for thorough compliance based on our Global Code of Conduct covering the JATCO Group worldwide.

In today’s environment of drastic change, companies inevitably face difficult situations at times. However, this presents opportunities to create new businesses as well. At JATCO, we never lose sight of the importance of sustainability for corporate value enhancement and sustainable growth. We take on the challenges of solving social issues through sincere engagement with our stakeholders during business activities.

We will continue to strengthen sustainability management into the future in order to ensure that we can contribute to the future of people, society, and the planet through our efforts.

