

JATCO Sustainability Report 2025



Jatco

**JATCO Sustainability Report
2025**

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/LmREvAifA6>

**Reference Guidelines**

GRI Standards

Reporting Period

April 2024 – March 2025

Scope

JATCO Ltd and consolidated subsidiaries in Japan and overseas

Reporting Cycle

Annually (previous report issued in December 2024)

Date of Issue

December 2025

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, centered on our corporate purpose: “Driving the possibilities of mobility with technology and passion.” We recognize that facing complex social issues such as climate change, resource dependency, and human rights challenges is our mission as a company developing its business globally, and we will create a sustainable future together with all our stakeholders.

We have stipulated 18 materialities as priority issues that JATCO should address to promote sustainability. A key pillar is our contribution to vehicle electrification, and our strategy for the electric age is progressing steadily. We have commenced full-scale mass production of the X-in-1 electric powertrain for Nissan Motor Co., Ltd. at our Fuji plant, and we have also established a new production company in Europe, JATCO UK Ltd, to begin production preparations. Furthermore, with innovative electric powertrain technologies including our ultra-compact e-Axle, which is currently under independent development, we are moving forward toward achieving our goal of producing 5 million units annually for electric vehicles by 2030. We will widely provide the market with competitive electric powertrains that leverage the transmission efficiency, quietness, and energy management technologies we have cultivated through our conventional CVT technology in the electrification domain, thereby raising the value proposition of electric vehicles, promoting their adoption, and contributing to realizing a decarbonized society.

CEO Message

In terms of achieving carbon neutrality, we aim to make our entire value chain carbon neutral by 2050, covering not only products but also development, production processes, and logistics. In our production processes, we are achieving significant reductions in environmental impact through smart factory initiatives driven by DX advancement and the development of innovative production technologies. To promote a circular economy, we are building effective resource circulation mechanisms in a variety of areas, including materials procurement, product planning and design, and after-sales service.

At JATCO, we have added entrepreneurship to the T-E*-A-M* values of our corporate philosophy, and each and every employee is working on creating new value through taking on challenges toward innovation. We are expanding the technologies and expertise cultivated as an automotive transmission manufacturer to mobility beyond automobiles and continuing to take on challenges in new business areas. We are promoting initiatives toward commercialization, including a 2-in-1 drive unit for electric-assist bicycles, an automatic 2-speed in-wheel drive unit for electric motorcycles in China, and even low-voltage wind turbines utilizing reused parts from electric vehicles. These new business developments embody the spirit of entrepreneurship, and we will continue to actively promote them as concrete examples of applying our technologies to solving social issues.

The foundation of all our activities is our people. We continue to build an organization where each and every employee can leverage their diverse values and individuality and thrive, and we are realizing new ideas and value creation. We also practice health management aimed at employee well-being and sustainable company growth. In Japan, we have earned designation as one of Japan's "White 500" corporations for outstanding health and productivity management by the Ministry of Economy, Trade and

Industry for seven consecutive years, and we have ranked in the top 50 overall for two consecutive years since 2024.

While today's environment of drastic change brings difficulties, it also presents opportunities to create new businesses. At JATCO, we will continue to engage sincerely with all our stakeholders and work with full commitment to solving social issues through our business activities.

While driving the possibilities of mobility with technology and passion, we will deepen our sustainability management further and continue moving forward toward realizing a sustainable society in order to contribute to the future of people, society, and the planet.

Values T-E-A-M: (T) Team leadership by everybody, (E) Entrepreneurship, (E) External mindset, (A) Aspiration to win, (M) Monozukuri excellence



An aerial photograph of a winding asphalt road with double yellow lines, curving through a dense, lush green forest. A white car is visible on the road. The image is partially obscured by a white, organic-shaped cutout on the right side of the page.

About JATCO

Corporate Information

Corporate Philosophy

History of Value Creation

Our Vision

Core Technologies

Our Approach to Monozukuri



Corporate Information

Company Name	JATCO Ltd
Main Businesses Areas	Development, manufacture, and sale of electrified powertrains, parts, and automobile transmissions
Established	June 28, 1999
Headquarters Location	700-1, Imaizumi, Fuji City, Shizuoka, Japan
Number of Employees	11,700 (as of March 31, 2025, consolidated)
Representative	President and CEO Tomoyoshi Sato
Capitalization	¥29,935.3 million
Shareholders	Nissan Motor Co., Ltd. (75%) MITSUBISHI MOTORS CORPORATION (15%) SUZUKI MOTOR CORPORATION (10%)

Economic Aspects (consolidated)

	Billion yen			
	FY 2021	FY 2022	FY 2023	FY 2024
Net revenues	5,613	5,400	6,217	5,641
Operating income	267	28	241	36
Net income	165	-48	158	-389

(Reference)

Affiliated Companies in Japan

● JATCO Tool Ltd

1-1, Yoshiwaratakara-cho, Fuji City, Shizuoka 417-0023, Japan

● JATCO Plant Tec Ltd

1-1, Yoshiwaratakara-cho, Fuji City, Shizuoka 417-0023, Japan

Affiliated Companies Overseas

● JATCO USA, Inc.

1974 Midway Lane, Smyrna, TN 37167, USA

● JATCO MEXICO S.A. DE C.V.

Carretera Panamericana Km 75, Col. Los Arellano, C.P. 20340. Aguascalientes, AGS., Mexico

● JATCO Korea Engineering Corporation

Lotte IT Castle 2-4F, 98, Gasan digital 2-ro, Geumcheon-gu, Seoul 08506, Korea

● JATCO Korea Service Corporation

Lotte IT Castle 2-412, 98, Gasan digital 2-ro, Geumcheon-gu, Seoul 08506, Korea

● JATCO (Guangzhou) Automatic Transmission Ltd.

NO.8, Lihong 2 Road, Science City, Guangzhou Hi-Tech Industrial Development Zone, Guangzhou, Guangdong, 510530, China

● JATCO (Suzhou) Automatic Transmission Ltd.

No.2 Tangqiao Road (M), Tangshi Community, Yangshe Town, Zhangjiagang City, Jiangsu Province, 215600, China

● JATCO France SAS

ZAC des Godets - Batiment C, 1-4 Impasse de la noisette, 91370 Verrières le Buisson, France

● JATCO UK Ltd

Unit 6, International Advanced Manufacturing Park (IAMP), International Drive, Sunderland, Tyne and Wear, England, SR5 3FH, UNITED KINGDOM

● JATCO (Thailand) Co., Ltd.

700/999 Moo 3, Amata Nakorn Industrial Estate, Thumbon Nongkakha, Amphur Phanthong, Chonburi 20160, Thailand

Corporate Philosophy

— Corporate Purpose —

Driving the possibilities of mobility with technology and passion

Mobility enables the movement of people and goods.
Yet this movement is not just about moving.
By moving in a limitless space, new experiences arise, and new worlds unfold.
Hence, should the possibilities of mobility extend,
allowing each and every person the movement they please,
the hearts of all will be stirred, filling their interactions with energy and excitement.
And thus, the world will become freer and more prosperous.
To realize such a world, JATCO drives the possibilities of mobility
with technology and passion.

— Mission —

We, as a corporation trusted by society, will provide
new value to a mobility by providing clean, safe, comfortable,
yet exciting products and services.

— Values : T-E⁺-A-M —

Team leadership by everybody	Entrepreneurship	External mindset
Aspiration to win	Monozukuri excellence	

Amidst a rapidly changing business environment, JATCO re-examined its reasons for existence in society.

Our corporate purpose, "Driving the possibilities of mobility with technology and passion," signifies our direction in an unpredictable future.

It also encapsulates our desire to leverage our strengths to contribute to a better society through mobility.

JATCO will continue to provide new value toward realizing our corporate purpose.

Technology

Technology is JATCO's most important asset and source of value. We recognize the value of the technology we have cultivated, further deepen it, and open up our future.

Passion

JATCO explores new possibilities with a passion for manufacturing, innovation, and our customers.

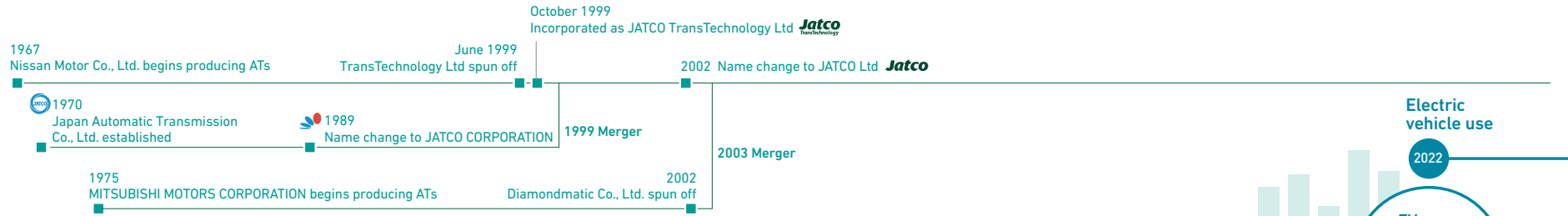
Passion is the driving force behind our challenge mindset.

Mobility

Mobility is all about movement and the means of movement in social activities. The scope of mobility is expanding, beyond the surface of the Earth where cars drive, to the sea, the sky, and outer space.

JATCO's area of activities is also expanding steadily.

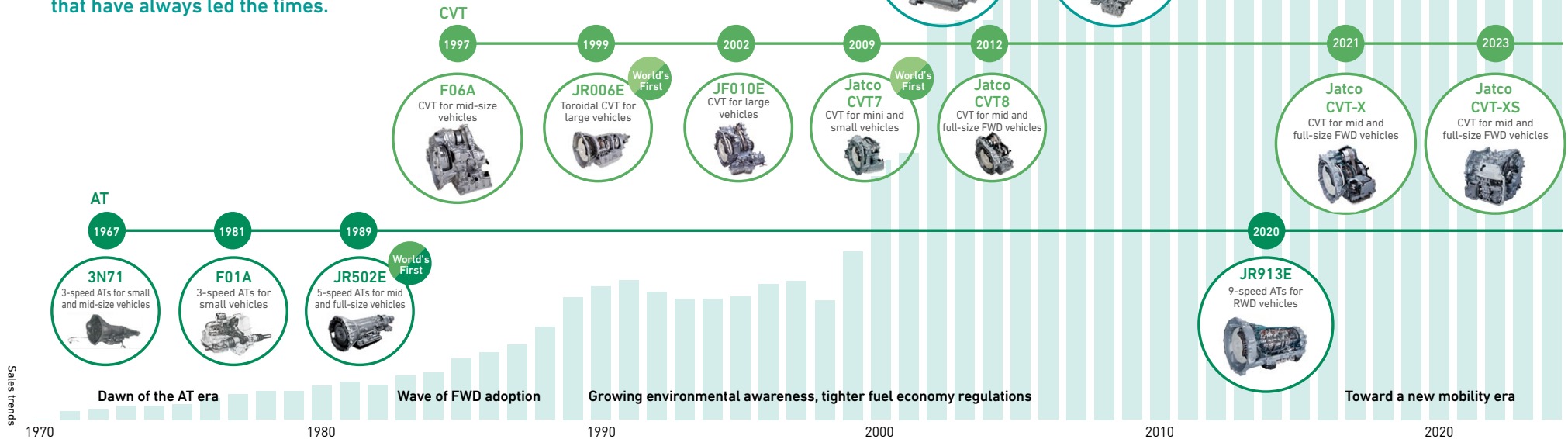
History of Value Creation



Founding Principles

- Cherish people
- Maintain cleanliness in all matters
- Supply only the highest quality

JATCO's history of evolution is one of innovative products and technologies that have always led the times.



Our Vision

Guided by our corporate purpose, "Driving the possibilities of mobility with technology and passion," JATCO seeks to leverage technology cultivated over many years as an automotive transmission manufacturer to contribute to developing a better society enabled by mobility. Amidst accelerating electrification, we will also contribute to the achievement of a future of more abundant electric vehicles by supplying competitive products that capitalize on our proprietary technologies as an electric powertrain maker. Additionally, we will expand our technologies to new types of mobility beyond automobiles, exploring possibilities to provide drive units for all kinds of mobility. Making full use of JATCO's unique technical capabilities and expertise, we aim to balance sustainable societal growth with our own growth while keeping the resolution of environmental and social issues in view, by providing valuable new products and services to our customers and society.

Providing Drive Units for All Kinds of Mobility



X-in-1 (3-in-1)



X-in-1 (5-in-1)

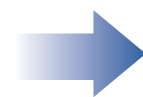


Ultra-compact e-Axle



e-Axle
(with multi-speed transmission)

Rising interest in sustainability



Realizing safe, comfortable mobility



Contributing to a sustainable society

Carbon neutrality
Circular economy
Shift in value from cars to mobility



Wheelchair with transfer mechanism



2-in-1 drive unit for electric-assist bicycles



Automatic 2-speed in-wheel drive unit for electric motorcycles

Core Technologies

JATCO's core competency

We have delivered over 132 million automotive automatic transmissions since the founding of one of JATCO's predecessors, Japan Automatic Transmission Co., Ltd. Our strengths lie in development capabilities and production technologies for power transmission mechanisms, honed through R&D and production of CVTs and ATs.

In development, in addition to designing and manufacturing units and components, we have always been involved in developing vehicle systems in collaboration with automakers. This allows us to handle aspects spanning vehicle control and communication to power performance, quietness, and thermal management. Our production strengths include precision design/machining technologies and the capability to mass-produce top-quality products at global sites, enabling stable supply.

Leveraging these core competencies to the fullest, we will pursue the provision of new value, including through electric powertrains and contributions to new types of mobility.

Delivering value across vehicles, units, and components

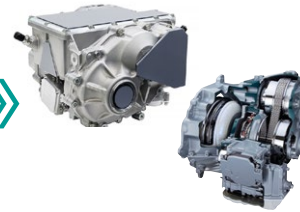
Vehicle system development

- Power performance
- Quietness
- Thermal management system



Unit development

- Electrified unit systems
- e-Axles, etc.

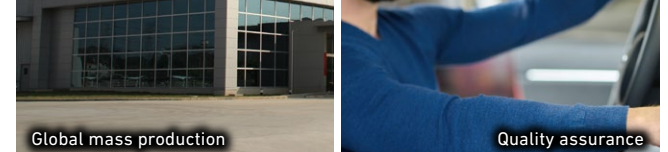
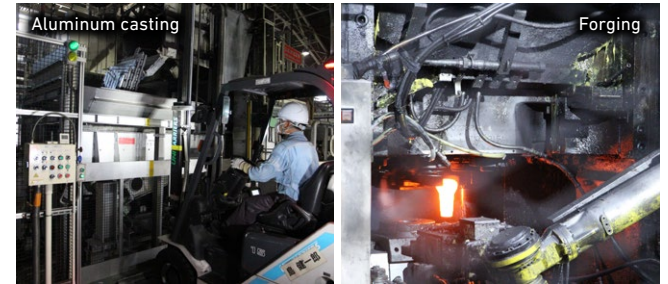


Component development

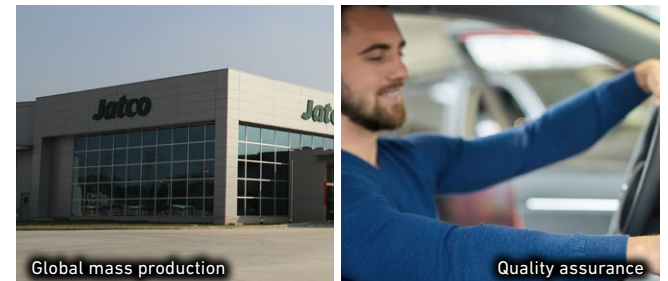
- Core parts
- Gears, motors, raw materials, etc.



Design and machining technologies for gears and other parts that transmit power in CVTs and ATs



Technologies to stably supply high-quality products globally



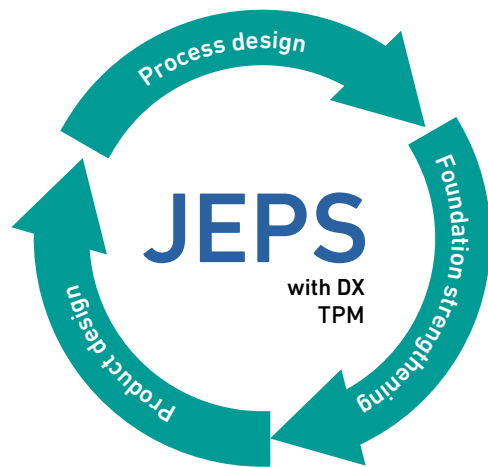
Our Approach to Monozukuri

Aiming from a customer's perspective to be the world's no. 1 in monozukuri

JATCO aims to respond swiftly to changing customers and to be the world's no. 1 in monozukuri in the aspects of safety, quality, time, and cost. To that end, we have established, and are utilizing, a unique production system known as the JATCO Excellent Production System (JEPS).

JEPS eliminates all waste by carrying out timely and flexible production and transportation from material procurement through processing, assembly, and shipping.

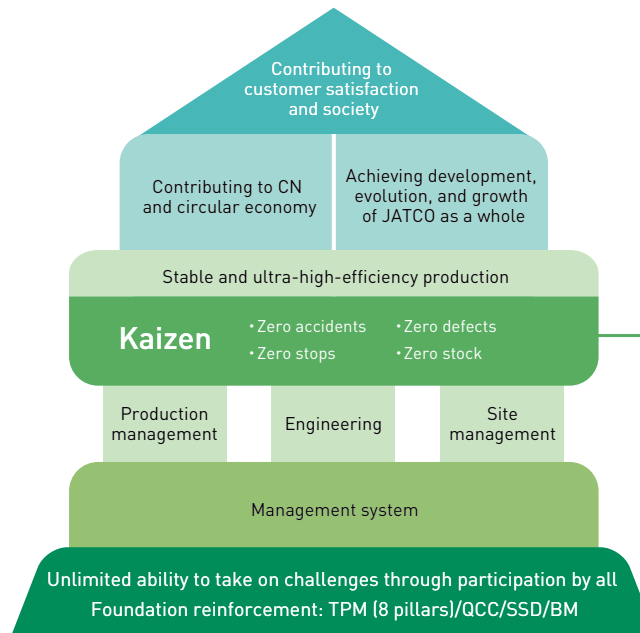
JATCO aims to achieve ultra-high-efficiency production that enables us to produce better products stably and supply them to our customers reliably.



Strengthening competitiveness through JEPS

The ideal vision of JEPS is to enhance competitiveness and contribute to profitability. To achieve this, we will strengthen our foundation through participation by all, establish four kaizen metrics, and continuously operate an endless improvement cycle, aiming to contribute to society through carbon neutrality and circular economy, while also achieving JATCO's development and growth.

JEPS overview



JEPS activities

Pursuing higher competitiveness in all SQTCE*1 aspects

Achieving good monozukuri from the start (MP*2 cycle)

We practice quality design that leaves no residual "quality risks" after mass production commencement and process design that produces as-planned results.

Contributing to greater efficiency by developing and utilizing DX tools

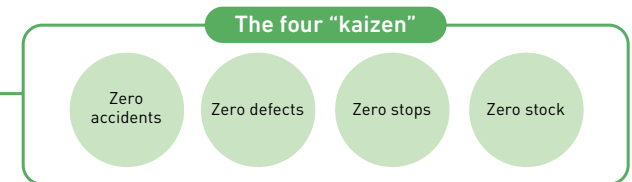
We foresee, prevent, and quickly act on various downtime loss issues (inspections, measurements, adjustments, etc.)

Strengthening foundations via all-hands TPM to produce results

We continually execute improvements and develop personnel (manufacturing, maintenance, engineering, quality assurance, etc.) who are proficient with equipment.

*1 Safety, Quality, Time, Cost, Environment

*2 Maintenance Prevention



Our Approach to Monozukuri

Achievement of conversion into smart factories

JATCO is promoting the conversion of its factories into smart factories. Led by our Digital Solution Department, we are advancing DX (digital transformation) in manufacturing and promoting productivity improvements and energy conservation.

Visualizing equipment operational status

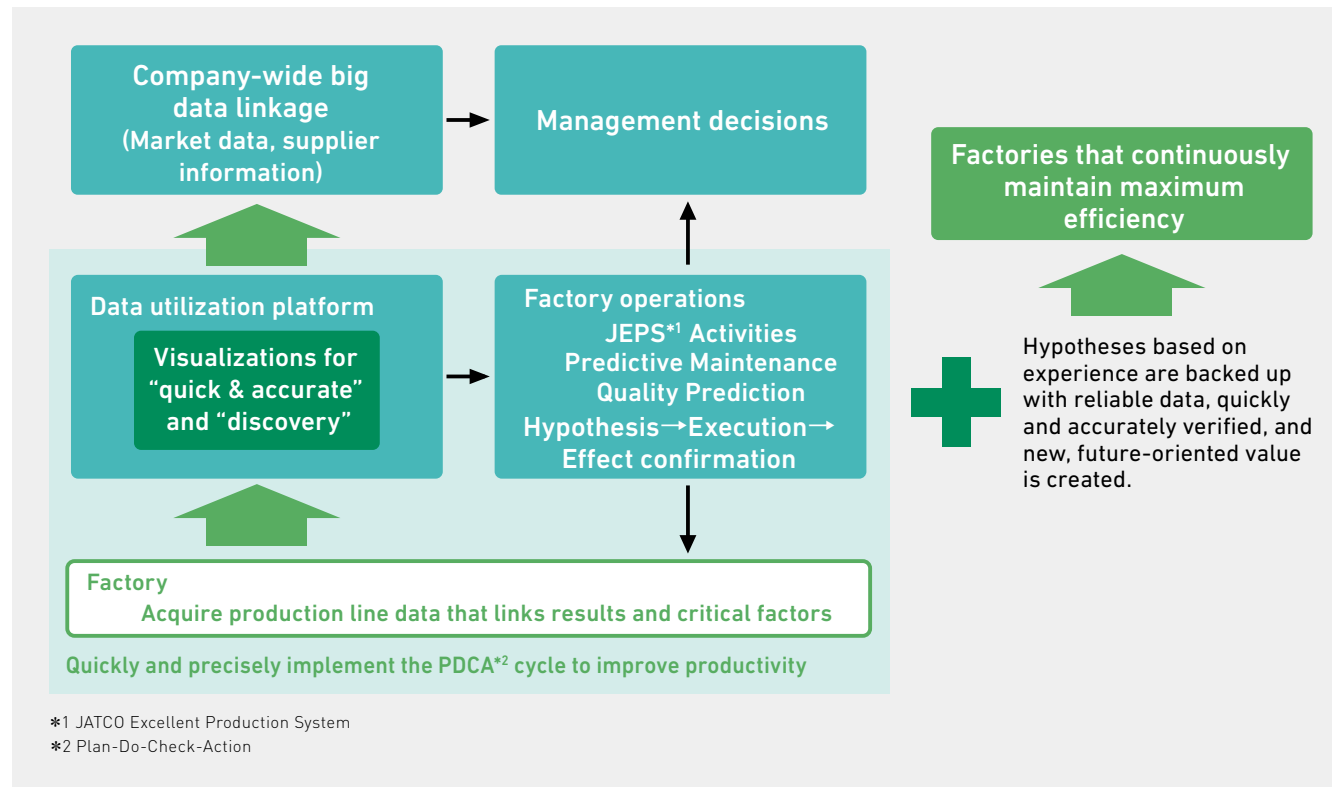
JATCO's plants have a system that eliminates any waste by synchronizing the series of processes from material procurement, processing, assembly, inspection, and shipping as if they were a single line. If production stops due to an error, it will affect the next process and then the one after that. In order to eliminate these effects, we aim to create "factories that never stop" by making the state of equipment in the production process visible at all times.

Based on QRQC*, which quickly solves quality problems that occur in the workplace, we have created an in-house operation management software that allows us to see our operational status at a glance. This has made it possible to reduce production losses by quickly identifying phenomena such as short stoppages and breakdowns and implementing countermeasures. Furthermore, by accumulating and analyzing traceability data, we have ensured stable quality and proactive defect prevention. We strive to predict the potential occurrence of defective products in advance, achieving both waste reduction and productivity improvement. The introduction of the operational status monitor has improved the efficiency of our production lines by approximately 10% (compared to 2021). JATCO is aiming for the ultimate in efficiency and quality,

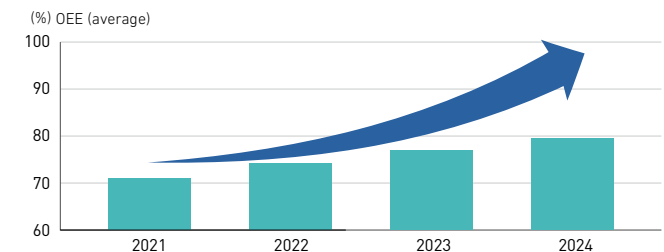


and is expanding the scope of its digital technology to create smart factories. Moreover, we will also contribute to the realization of carbon neutrality by minimizing the energy per unit used to manufacture our products.

JATCO Smart Factory Concept



Overall Equipment Efficiency (OEE) Results



*Quick Response Quality Control

*1 JATCO Excellent Production System
*2 Plan-Do-Check-Action

Our Approach to Monozukuri

In its product development and production preparation processes, JATCO is promoting “front-loading” to build in performance by carrying out high-precision and detailed design studies from an early stage.

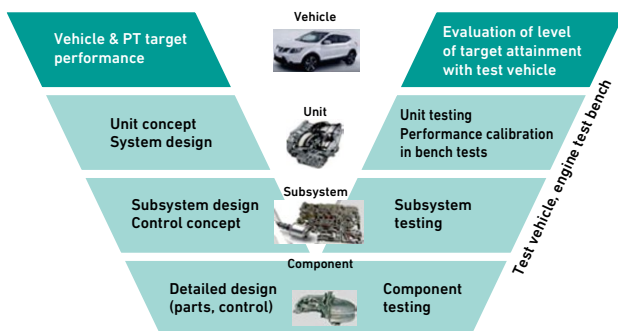
In this way, JATCO is reducing post-process corrections and trial and error iterations on actual equipment, enhancing energy efficiency in its development and production, and helping reduce society’s environmental impact.

Development through the V-model of systems engineering

We have adopted the concept of the V-model of systems engineering (SE) to meet the performance demands with respect to increasingly diverse and sophisticated products and to reduce design and testing iterations.

We utilize MBD (model-based development) methodologies for the design and verification of each system hierarchy in the V-model. This involves computer simulation to predict the phenomena that occur in each functional component when a car is actually driven, and then conducting a virtual evaluation.

Through the MBSE (model-based systems engineering) approach



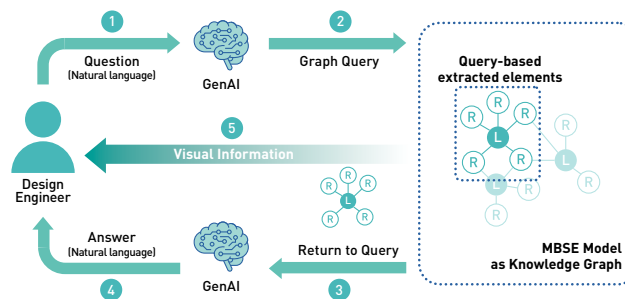
combining SE and MBD, we are promoting front-loading and working to reduce environmental impacts.

Integrating virtual evaluations and AI to reduce environmental load

In our V-model experimental process, we are replacing what had previously been our real-world vehicle tests with virtual experiments (HILS,* etc.). In addition, by checking the new control system virtually, it has become possible to develop it without having to rework it when it is installed in an actual vehicle. By proceeding with these virtual evaluations, not only is the development period shortened, but also the number of experiments using actual vehicles are reduced, leading to positive environmental effects such as reduced prototyping and reduced use of fuel for experiments.

In addition, by integrating MBD/MBSE and AI and improving the efficiency of information extraction, we expect to improve our time reduction by 30%. Going forward, by applying this to our existing and next-generation products, we will not only shorten the development period but also reduce the amount of gasoline used by reducing the number of physical experiments.

*Hardware In The Loop Simulation

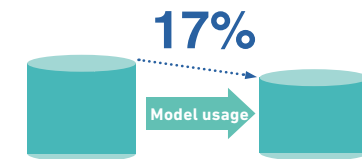


Integration of MBD/MBSE and AI

Example results of virtual evaluations



Using HILS and other tools, simulate results from a running vehicle state and extract the real-world conditions for operating the vehicle



Vehicle running time reduced, fuel consumption reduced by 17%

Aiming for world-leading development efficiency and participating in external organizations such as JAMBE

JATCO participates in JAMBE (Japan Automotive Model-Based Engineering center), comprising Japanese automakers and parts manufacturers, to expand the manufacturing sphere and contribute to developing Japan’s automotive industry. JAMBE aims to avoid rework and achieve world-leading development efficiency for the automobile industry overall by aligning models created by universities with those used by automobile and parts manufacturers, using the same models in development. JATCO’s participation in JAMBE contributes to automobile technology innovations, including in carbon neutrality and more.



Sustainability Management

JATCO's Sustainability



JATCO's Sustainability

Message from the Officer in Charge of Sustainability

JATCO's corporate purpose, "Driving the possibilities of mobility with technology and passion," embodies our belief that mobility does more than simply enable the movement of people and goods. It creates new encounters and experiences within an infinitely expanding space, opening up possibilities for each and every individual. We believe that by driving the possibilities of mobility and enabling everyone to move freely as they wish, people will be inspired, their interactions will be filled with energy and excitement, and the world will become freer and more prosperous. With a strong commitment to "Driving the possibilities of mobility with technology and passion," JATCO engages in business activities aimed at realizing such a future.

Four years ago, around the same time that we established our Corporate Purpose, we positioned sustainability at the core of our corporate activities and defined our vision for each of the 18 materialities (key issues). We have continued to deepen and explore them. Currently, we are promoting activities in line with a roadmap that we created for achieving the targets we have set. The progress of these activities is monitored by the executive committee, which is composed of the heads of each division, and the results are reflected in this Sustainability Report, forming the foundation of our information disclosure. In this way, our sustainability activities are currently gaining recognition both inside and outside the company. (The 18 materialities are shown in bold text below.)

However, the environment around us is changing rapidly, with many headwinds such as climate change and the worsening of social issues. It is precisely in such times that a shift from self-interest to altruism is required, and we strongly feel that achieving both economic value and social value is essential for companies. We will further strengthen our activities from this perspective.

For more than 10 years, JATCO has promoted **social contribution activities** and contributed to **community development** at all our global locations. Our goal is to gain the approval of our local communities and for them to think, "We're glad JATCO is here in our community." Going forward, we will further expand the scope of our activities and take on the challenge of achieving both the resolution of social issues on regional, national, and global scales and the creation of economic value.

Specifically, we will of course contribute to addressing environmental issues such as the **promotion of decarbonization, building a circular economy, the pursuit of energy efficiency, and air, water, and soil conservation**. Furthermore, besides the **contribution to vehicle electrification**, we will also seek **solutions that expand mobility**, with the aim of addressing social issues such as responding to an aging society and eliminating mobility disparities, and we will connect these efforts to new business opportunities.

At the same time, as the foundation for these initiatives, we will continue to focus on **career development and diversity & inclusion** for our human capital. In terms of manufacturing, we will thoroughly pursue **quality that brings trust, sustainable and responsible sourcing, and occupational safety and health**. Furthermore, to strengthen our corporate foundation, we will deepen **governance, regulatory compliance, and other compliance, disaster countermeasures (physical hazards)**, and information security, enhancing our fundamental ability to improve competitiveness and resolve social issues.

Regarding **human rights**, last year, we articulated our commitment to respecting the human rights of all stakeholders and established and declared our Human Rights Policy and Human Rights Guidelines.

As we advance these activities, we will actively solicit the diverse opinions of our stakeholders and reflect them in our business activities, further enhancing **stakeholder engagement**.

The business environment is changing rapidly, and we expect to face diverse and complex challenges going forward. However, we will not cease our efforts to dig deeper and explore wider. Ultimately, we will aim to create a team and corporate culture in which all employees naturally engage in activities that integrate the resolution of social issues with the creation of economic value, and proactively develop them on their own initiative, going beyond the mere concept of "sustainability" as just a label.



Head of Corporate Planning Division
Senior Vice President
Takashi Sakagami

JATCO's Sustainability

Basic Sustainability Policy

- 1



Overcoming of social issues

Guided by our corporate purpose, "Driving the possibilities of mobility with technology and passion," JATCO **regards sustainability as fundamental to business management and strives to contribute to economic growth and help overcome societal issues through all business activities and other undertakings.**
- 2



Provision of unique value

By providing unique value through innovative technologies, JATCO contributes to societal advancement brought about by clean, safe, comfortable, yet exciting mobility.
- 3



Dialogue with society

In communication with all stakeholders, including customers, employees, business partners, and local communities, JATCO seeks to realize a sustainable society.
- 4

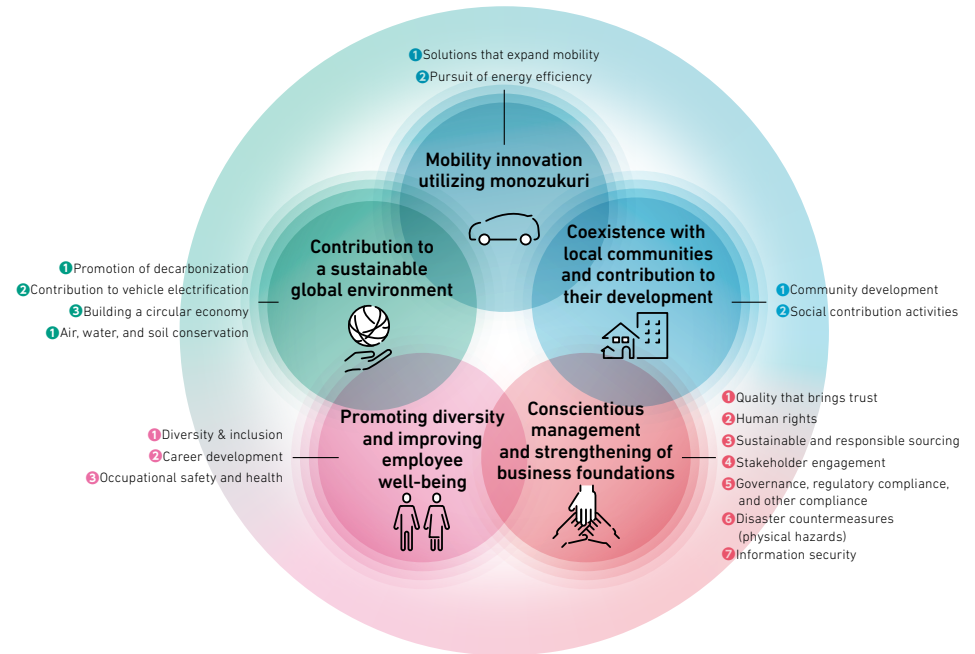


Voluntary initiatives by employees

JATCO advances and raises the level of corporate sustainability activities **by ensuring every employee is aware of and voluntarily engages in sustainability.**

Materialities (key issues)

To align stakeholder concerns with the direction of our growth, JATCO has identified 18 key sustainability issues (materialities) in five categories that we should prioritize. These key issues are discussed in the executive committee and incorporated into business activities, ensuring progress on initiatives, leading to the creation of corporate value.



Materiality Identification Process

JATCO identified its materialities through the following process:



JATCO's Sustainability

Materialities (key issues) and our vision

We have established a vision for each materiality aimed at the creation of medium to long-term corporate value.

Materialities (key issues)	Our vision	SDGs
Contribution to a sustainable global environment	Promotion of decarbonization JATCO aims to reduce CO ₂ by 46% by 2030 (compared to 2013) and to achieve carbon neutrality across its entire value chain by 2050 through its initiatives in the four areas of entire life cycle, production, development, and environmental activities.	
	Contribution to vehicle electrification Aiming to contribute to global environmental protection and a sustainable society, JATCO will continue to provide its stakeholders with new added value in its products and services by building effective resource recycling mechanisms in a variety of processes in its business activities, such as repairing, reusing, rebuilding and recycling.	
	Building a circular economy JATCO will contribute to the widespread adoption of electric vehicles for the achievement of a decarbonized society by utilizing the technology it has cultivated in transmissions to provide competitive electric powertrains that help improve the product appeal of electric vehicles.	
	Air, water and Soil conservation JATCO aims for zero impact on the environment by thoroughly managing the resources input into its production activities and the substances released externally, and by working to conserve resources and reduce its environmental impact.	
Mobility innovation utilizing Monozukuri	Solutions that expand mobility With its innovative and unique technologies, JATCO pursues the possibilities of achieving clean, safe, comfortable, yet exciting products and services, and provides new value to mobility.	
	Pursuit of energy efficiency JATCO contributes to reducing CO ₂ emissions and environmental impacts throughout society by developing technologies that contribute to enhancing the energy efficiency of our products and improving the energy efficiency of vehicles overall.	
Coexistence with local communities and contribution to their development	Community development JATCO utilizes its technologies and assets to aim for a society in which communities and companies can develop together, by being actively involved in revitalizing local communities and resolving their issues.	
	Social contribution activities As a good corporate citizen, JATCO contributes to the resolution of social issues and a better society by having its employees actively participate in activities with the environment, society, and welfare as priority areas.	

Materialities (key issues)	Our vision	SDGs
Promoting diversity and improving employee well-being	Diversity & inclusion JATCO respects the diverse values and individuality of our employees, achieves an organization in which each and every employee can thrive, and uses the new ideas that are born from this to provide new value to our customers and society. For that reason, we promote the participation of women and people with disabilities.	
	Career development Based on the idea that its employees are the assets of the company, JATCO will achieve a motivated workplace where each and every employee can experience growth. It will continually provide employees with all growth opportunities so that the employees and the company can grow together.	
	Occupational safety and health JATCO will achieve a workplace environment where employees can work safely, healthily, and energetically. Through "Absolute Safety" it will build a workplace free of disasters and fires, develop people who are strong in safety, and through "health management" work to continuously improve the physical and mental health of its employees.	
Conscientious management and strengthening of business foundations	Quality that brings trust JATCO will achieve product quality and quality management that meet customer expectations and gain the trust of our customers. Each and every employee will have a high level of quality awareness and will tackle quality as a company-wide issue.	
	Human rights JATCO recognizes that respect for human rights is the foundation of its business activities and, as a corporation trusted by society, it respects the human rights of all of our stakeholders and complies with the applicable laws and regulations and standards. All employees share this recognition and act based on the highest ethical standards.	
	Sustainable and responsible sourcing JATCO aims to build mutual trust with its business partners to achieve sustainable growth for both parties. It will implement initiatives aimed at a business which takes into consideration the environment and society in the supply chain and the stable supply of parts and materials.	
	Stakeholder engagement JATCO will actively engage in dialogue with major stakeholders regarding their concerns to build relationships of trust. By reflecting stakeholder feedback into its corporate activities, JATCO will achieve sustainable corporate growth and societal development.	
	Governance, regulatory compliance, and other compliance JATCO will conduct a disciplined and highly transparent business operation by ensuring that employees have a good grasp of our Corporate Philosophy and Code of Conduct and by maintaining and strengthening internal control based on the Basic Policy on Internal Control System. It will constantly monitor the situation in order to respond to issues and it will regularly implement education for employees.	
	Disaster countermeasures (physical hazards) JATCO will construct a system for business continuity by anticipating a variety of risks that could shake the foundations of its corporate activities. It will implement regular training and implement continual issue resolution.	
	Information security JATCO will ensure that security policies are thoroughly communicated to everyone, from management to the work sites. It will identify information assets, assess risks, and implement the latest preventative security measures, so that all employees respond with a sense of responsibility to risks such as information asset leaks, etc.	

JATCO's Sustainability

External recognition and third-party certification

External recognition



Platinum Kurumin Certification

Continuously certified since 2015



健康経営優良法人 KENKO Investment for Health 大規模法人部門 ホワイト500

Certified Health & Productivity Management Organization

Continuously certified among the top 500 companies since 2019
* Ranked in the top tier group (1st-50th places) for two consecutive years



Sports Yell Company

Certified for the fourth time since 2021



Bicycle Commuting Promotion Project

Certified in 2025

Third-party certification for management systems

Environmental management system

JATCO has earned ISO 14001:2015, the latest standard for environmental management systems, at all our production bases in Japan and overseas.

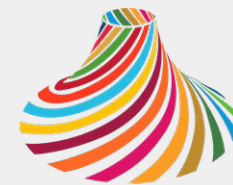
Quality management system

JATCO has earned IATF 16949 certification, the quality management system for the automotive industry, at all our production bases in Japan and overseas.

Contributing to the Achievement of the SDGs

The 2030 Agenda for Sustainable Development was adopted at the United Nations Sustainable Development Summit in September 2015. JATCO endorses the globally shared Sustainable Development Goals (SDGs) and will contribute to their achievement. In April 2022, for instance, we signed on to the SDGs Future City Initiative declaration of Fuji City, Shizuoka Prefecture, home to our head office, and are doing our part to realize the vision of Fuji as an SDGs Future City.

Pages in this report describing related initiatives display the respective goal icons to indicate connections with the SDGs.



富士山とともに 輝く未来を拓くまち
SDGs 未来都市 富士市





Environment

Contribution to a Sustainable Global Environment

Environmental Management

Promotion of decarbonization

Contribution to Vehicle Electrification

Building a Circular Economy

Air, Water and Soil Conservation



Environmental Management

What JATCO can do for a sustainable future

JATCO leverages its collected experience in the transmission business and pursues both driving and environmental performance. Currently, we are working both on the development of electric powertrains for EVs and on the further improvement of our CVTs, which boast the No. 1 market share globally (as of a 2024 JATCO survey).

Our technologies and experience have further evolved our Jatco CVT-X, which boasts 90% transmission efficiency, into the latest Jatco CVT-XS. Through acceleration that matches the driver's intentions and excellent responsiveness, driving performance is enhanced and with improved fuel efficiency, value is provided to our customers. Going forward, in anticipation of the age of electrification, we will also launch electric powertrains such as our e-Axles.

By leveraging these technologies and systems to provide innovative products for non-car mobility, we are contributing to a sustainable future.



Jatco CVT-XS



Ultra-compact e-Axle

JATCO's Environmental Policy

JATCO has revised its environmental policy to content better suited to the times, with a view to promoting environmental activities and realizing a sustainable society.

Based on the new environmental policy, JATCO will make continual improvements and raise the bar in the areas of innovation, decarbonization, resource circulation and pollution prevention in order to realize a sustainable global environment.

Environmental Policy

Contributing to a sustainable global environment through all business activities

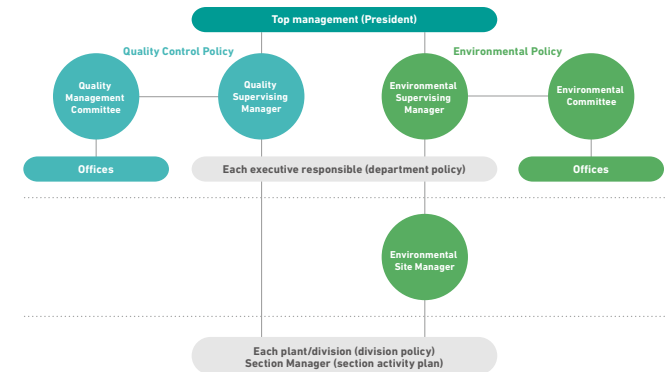
- Innovation: Develop and produce energy-efficient products and environmental technologies
- Decarbonization: Achieve carbon neutrality across the entire value chain by 2050
- Resource circulation: Promote a circular economy that maximizes resource utilization
- Pollution prevention: Prevent environmental problems and comply with legal requirements
- Continual improvement: Improve the effectiveness of the environmental management system through collaboration and co-creation with the people within the organizations

Promotion system for environmental management

JATCO's environmental management is carried out by appointing environmental supervising managers and site managers to each global site, and promoting our environmental management system (EMS) under the management and authority of each environmental supervising manager.

With regard to EMS promotion across the entirety of JATCO, comprehensive deliberation and assessment is carried out by a company-wide environmental committee comprised of each of the environmental supervising managers and environmental site managers, and a follow-up system is put in place. By applying the company-wide EMS to all divisions and production bases, we are able to align our efforts as a company, and strongly promote environmental management. This is a major characteristic of JATCO's EMS.

JATCO's systems promoting quality and environmental management



Environmental Management

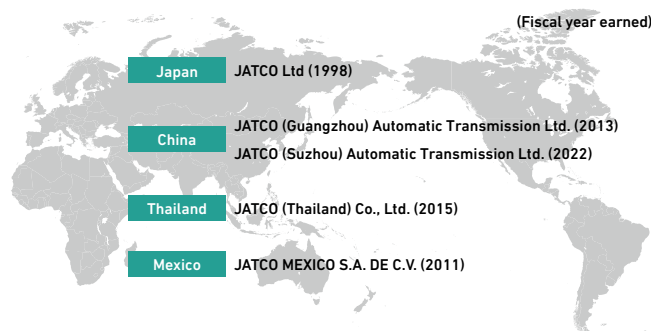
Earning ISO 14001 globally

JATCO has earned ISO 14001:2015, the latest standard for environmental management systems, at all its production bases in Japan and overseas. To minimize the impact on the environment imposed by the production bases JATCO is deploying globally, we apply the same environmental protection measures used in our production bases in Japan to all our bases around the world, and we are proactive in implementing unique ideas at each base. Going forward, we will continue engaging in production practices that minimize environmental impact across our bases all over the world.



All of our global bases have acquired ISO 14001:2015 certification. (The certificates for one of our bases)

Bases with ISO 14001 certification



Promotion system for environmental activities

Promotion of activities that meet the needs of the local community by the Environmental Committees of each region

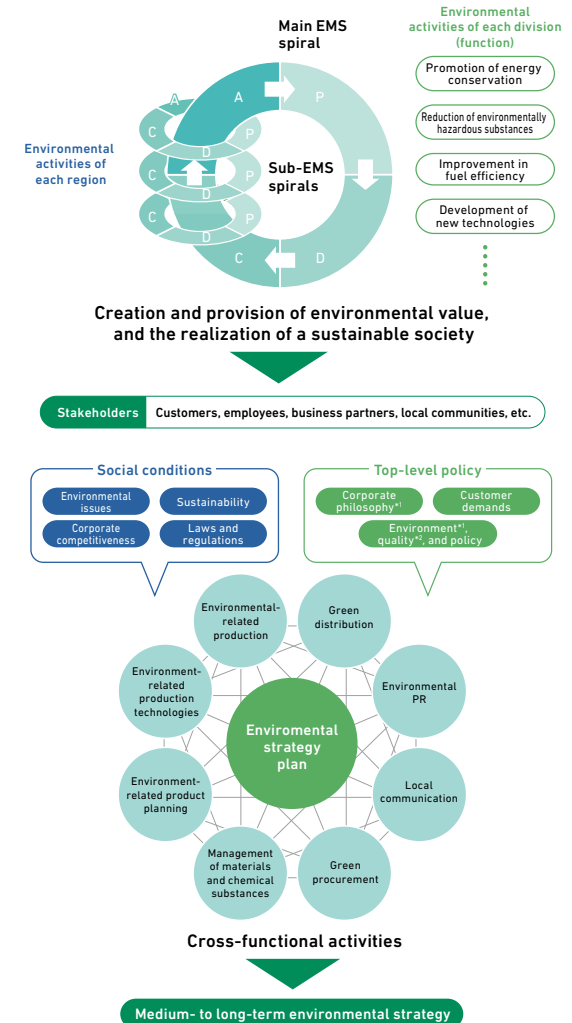
JATCO has established Environmental Committees in each region, and the Committees carry out environmental activities that meet the needs of the local community.

By mutually interlinking and operating two types of PDCA cycles—the PDCA cycle for the whole of JATCO (main EMS spiral) and the PDCA cycles for the regions and divisions (sub EMS spirals)—we strive to unite the direction of all the initiatives that are implemented. The aim is to create and provide environmental value to our stakeholders through continuous improvements, in order to improve the effectiveness of our activities.

Response to environmental issues from a medium- to long-term perspective

In parallel with the promotion of EMS, which carries out environmental management by sector, we are advancing our medium- to long-term initiatives for environmental issues. In relation to changes in social conditions and business environment and to our corporate philosophy and top-level policies, etc., JATCO ascertains the current situation regarding the environmental issues it should address, analyzes the risks, considers the necessary actions, and then executes them. While examining JATCO as a whole, the committee performs management and planning across the company. They implement this strategy while coordinating the environmental activity planning and management of our overseas bases.

Conceptual diagram of JATCO's environmental activities



*1 For details related to corporate responsibility, see [page 7](#)
 *2 For details related to environmental policy, see [page 20](#)
 *3 For details related to quality control policy, see [page 65](#)

Environmental Management

FY2024 environmental results *In business activities inside Japan

Total waste generated

69.7% reduction
(Compared to FY2006)

Recycling rate

100%

Amount of water used

42.7% reduction
(Compared to FY2014)

CO₂ emissions

51.1% reduction
130,301 t-CO₂
(Compared to FY2013)

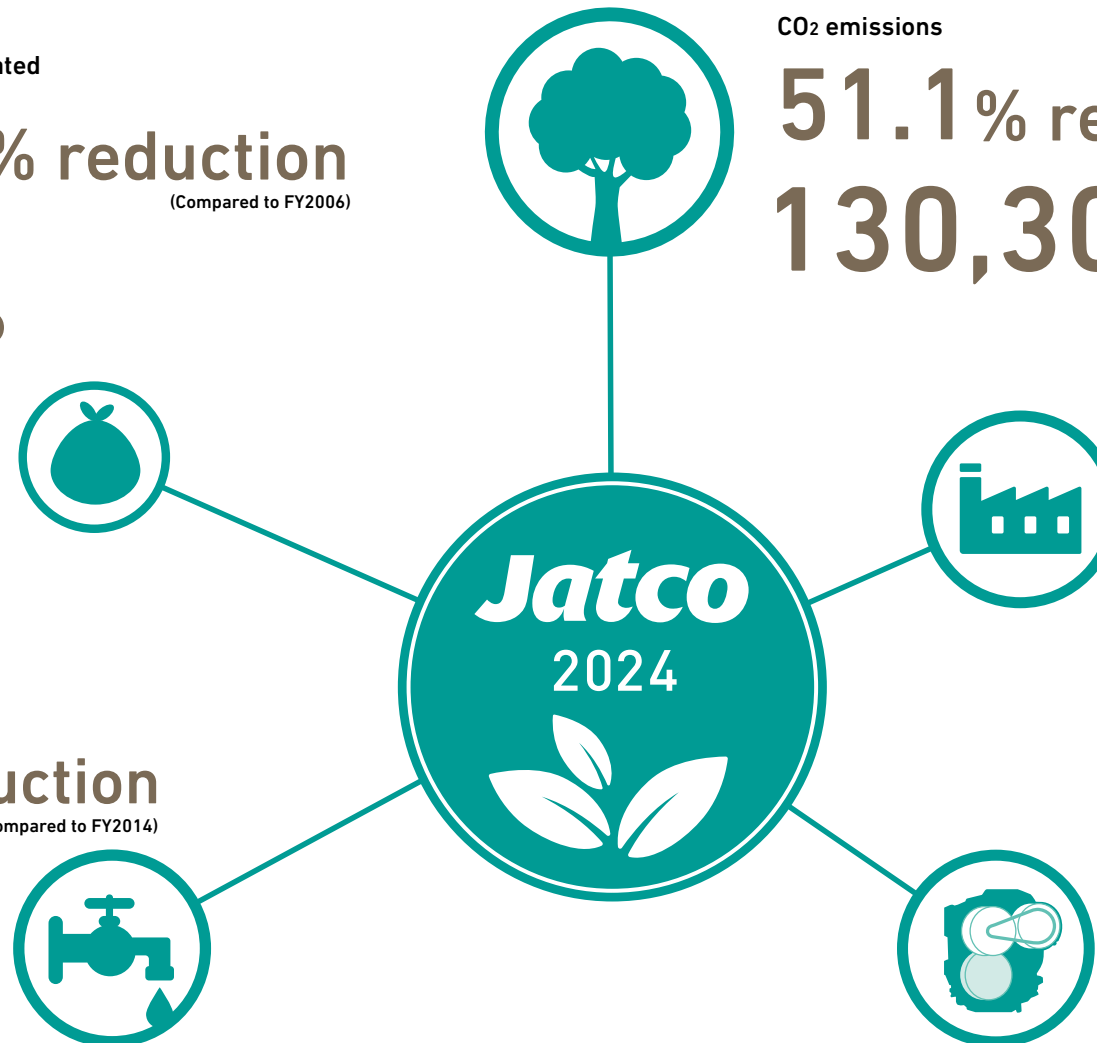
Emissions of three major hazardous air pollutants

None

VOC* emissions

99% reduction
(Compared to FY2000)

*VOC: Volatile Organic Compound, which is an organic compound that enters a gaseous state when exposed to the atmosphere.



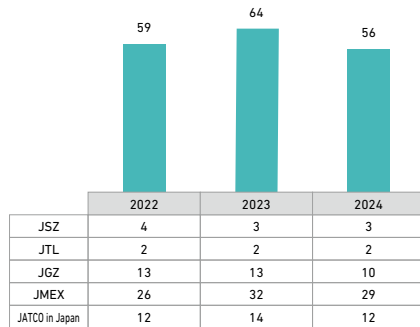
Environmental Management

Material balance

JATCO aims to create a recycling-oriented society by properly using resources and reducing emissions.

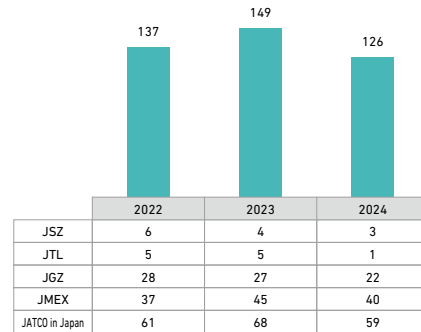
Raw materials (aluminum)

Unit: kt



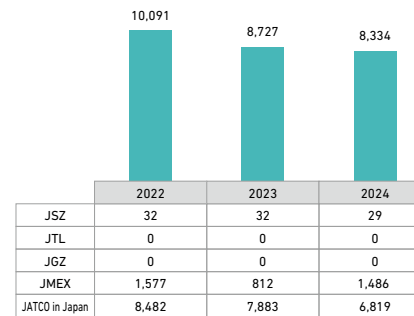
Raw materials (steel)

Unit: kt



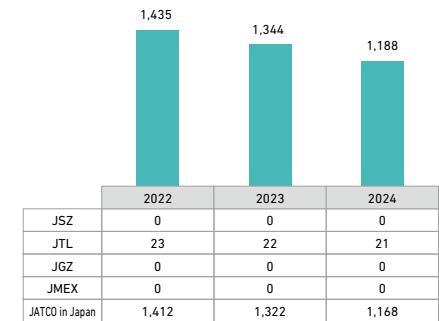
Energy (LNG)

Unit: km³



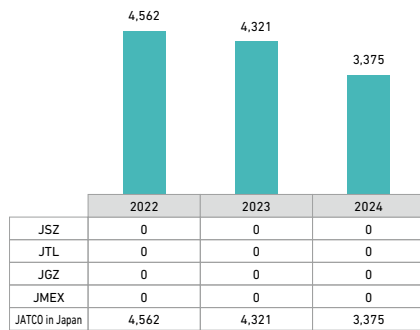
Energy (LPG)

Unit: T



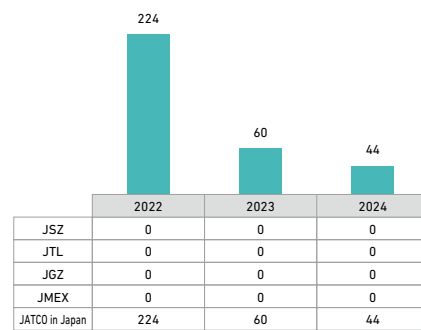
Energy (kerosene)

Unit: kL



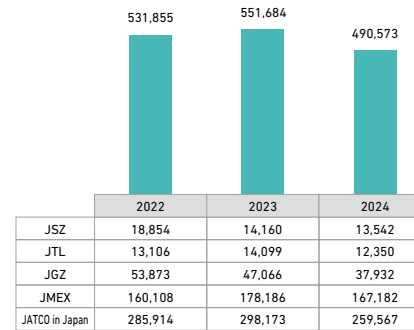
Energy (other)

Unit: kL



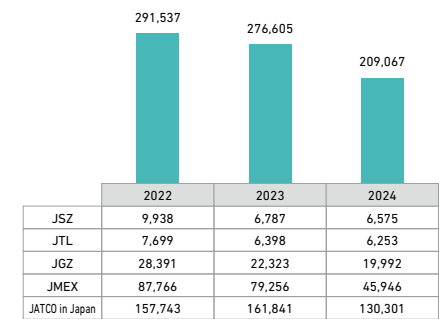
Electricity

Unit: MW-h



CO₂

Unit: t-CO₂



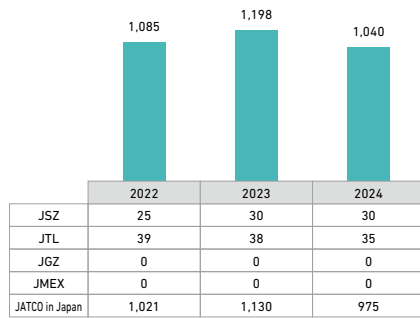
* JATCO in Japan: JATCO Ltd, JATCO Plant Tec Ltd, and JATCO Tool Ltd

Environmental Management

Material balance

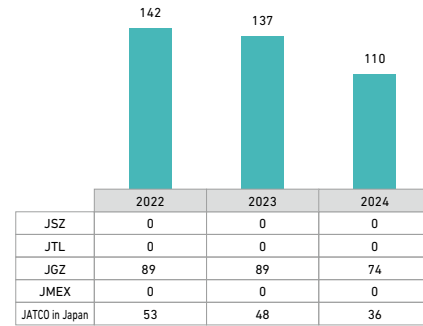
Water resources (industrial water)

Unit: km³



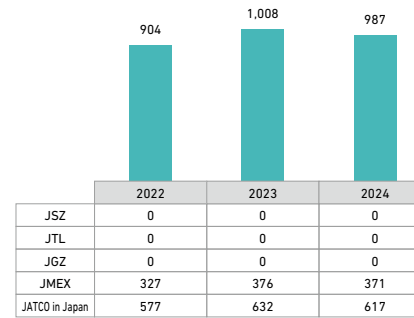
Water resources (tap water)

Unit: km³



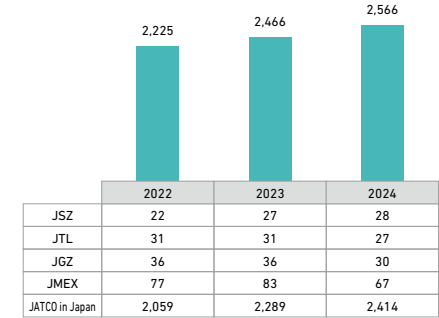
Water resources (ground water)

Unit: km³



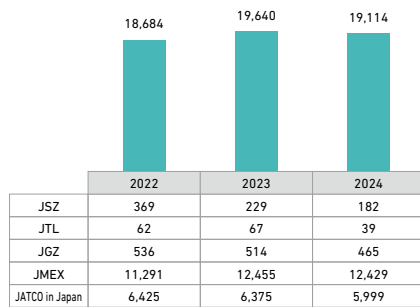
Water discharge

Unit: km³



Waste generated

Unit: t



* JATCO in Japan: JATCO Ltd, JATCO Plant Tec Ltd, and JATCO Tool Ltd

Environmental Management

Continuous efforts to reduce environmental impact, based on the PDCA (Plan-Do-Check-Act) cycle

JATCO sets forth initiatives every year aimed at reducing environmental burden as our environmental targets and aims to achieve these targets. Based on the results of these initiatives every fiscal year, we establish our targets for future fiscal years, thereby continuously improving our environmental performance. In FY2024, we did not receive any administrative dispositions due to major violations of laws, regulations, or ordinances related to the environment, and we carried out the necessary measures and reviews within the company.

Environmental objectives	Items	FY2024 targets	FY2024 results	Achieved	FY2025 targets
Continuous improvement of our environmental management system	Routine reviews	Receive regular audits: maintain certification Internal environmental audit: 1 time Environmental Committee meeting: 2 times	Received regular audits: maintained certification Internal environmental audit: 1 time Environmental Committee meeting: 2 times	○	Receive regular audits: maintain certification Internal environmental audit: 1 time Environmental Committee meeting: 2 times
	Internal environmental auditor training	Train people as needed	2 people trained	○	Train people as needed
Compliance with laws and preventive measures for environmental issues	Findings highlighted by administrative and government agencies	Number of findings: 0	Number of findings: 0	○	Number of findings: 0
	Maintenance of significant environmental characteristics	Accomplish 100% of regular reviews	Accomplished 100% of regular reviews	○	Accomplish 100% of regular reviews
	Education relating to environmental laws	Perform environmental training: 2 times	Performed environmental training: 2 times	○	Perform environmental training: 2 times
	Prevention of environmental accidents	Number of A & B rank accidents: 0 Number of C rank accidents: 1	Number of A & B rank accidents: 0 Number of C rank accidents: 3	×	Number of A & B rank accidents: 0 Number of C rank accidents: 1
Decarbonization	CO ₂ emissions by revenue	45.3 t-CO ₂ / Billion yen	49.2 t-CO ₂ / Billion yen	×	42.9 t-CO ₂ / Billion yen
Promotion of resource conservation	Promotion of waste reduction Reduction in total waste generated	2.100kg/unit	2.549kg/unit	×	1.982kg/unit
Technological development aimed at reducing environmental impact	Environmentally-friendly design [Contribution to environmental conservation and fuel-economy improvements]	Achieve 100% of goals for QCT KPIs for each product	Achieve 100% of goals for QCT KPIs for each product	○	Achieve 100% of goals for QCT KPIs for each product
	Management and reduction of environmentally hazardous substances in products	100% Conform/Maintain products with changes in environmental laws and regulations	100% Conform/Maintain products with changes in environmental laws and regulations	○	100% Conform/Maintain products with changes in environmental laws and regulations

Promotion of decarbonization



Message

With the frequent occurrence of extreme weather events and large-scale disasters making the world acutely aware of the severity of global warming, JATCO has positioned the realization of carbon neutrality as a company-wide priority and set CO₂ reduction as a company-wide KPI.

Specifically, we are focusing on expanding the adoption of renewable energy and improving the efficiency of our electricity use to reduce our dependence on fossil fuels in production activities. In development and after-sales services, JATCO is also considering CO₂ emission reductions across the entire life cycle of products, including electric vehicles.

It is essential for the environment that we resolve this dilemma of reducing CO₂ emissions even as the demand for energy grows due to increased economic activity and individuals' pursuit of greater freedom and convenience. JATCO will continue to meet society's expectations and fulfill its mission with responsibility.



Corporate Planning Division VP
Hiroyuki Kai

Carbon neutrality initiatives

JATCO aims to achieve carbon neutrality across its entire value chain by 2050, focusing on initiatives in the four areas of entire life cycle, production, product development, and environmental activities.

Total Product Life Cycle Initiatives

We assess our environmental impacts, from raw material procurement to recycling, and strive to reduce CO₂ emissions.



Production Initiatives

We are working to realize smart factories through digital transformations (DX) and innovative technologies, and to reduce the CO₂ emissions through energy conservation and the adoption of renewable energy.



Product Development Initiatives

We work on improving the efficiency of our existing products and developing new products for next-generation vehicles, contributing to the reduction of CO₂ emissions.



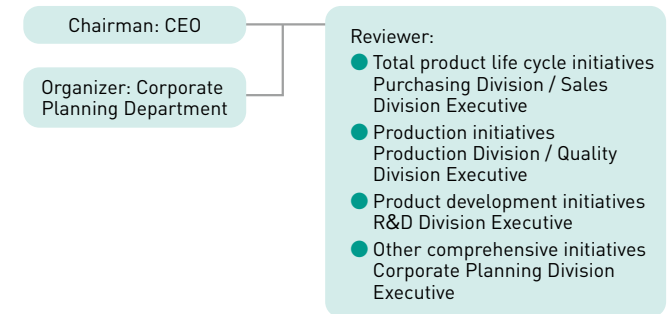
Environmental Activities and Other Comprehensive Initiatives

We will strengthen comprehensive initiatives such as environmental activities in concert with local communities and NPOs, and fulfill our responsibility as a good corporate citizen to reduce carbon dioxide.



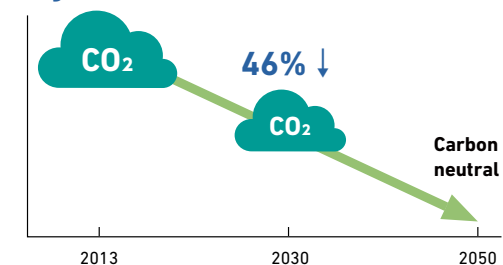
Carbon Neutral Steering Committee

In order to formulate strategies and assess progress towards realizing carbon neutrality, the Committee, with the participation of the responsible executives in four areas and the CEO as the chairman, aims to quickly solve problems and invigorate company-wide activities through support and decision-making.



Aiming to reduce CO₂ emissions

by **46%*** by 2030 *Compared to 2013



FY2024 CO₂ emissions results (Global)

Unit: t-CO₂

Base	Scope1	Scope2	Total
Japan	27,061	103,240	130,301
Overseas	3,326	75,440	78,766
Total	30,387	178,680	209,067

Promotion of decarbonization

Total product life cycle efforts

Supply chain area (Procurement)

JATCO is promoting the visualization of CO₂ emissions in Scope 3 (Category 1) to achieve carbon neutrality across the entire supply chain. We facilitate activities by providing opportunities for information exchange with our business partners where we share each other's initiatives. For business partners requiring support, we provide opportunities to discuss their situations at any time and work together to solve problems.

JATCO is working with business partners to advance environmental improvement and reduce CO₂ emissions towards obtaining SBT certification. We will continue our efforts to realize a sustainable society.



Information exchange with our business partners

Supply chain area (Logistics)

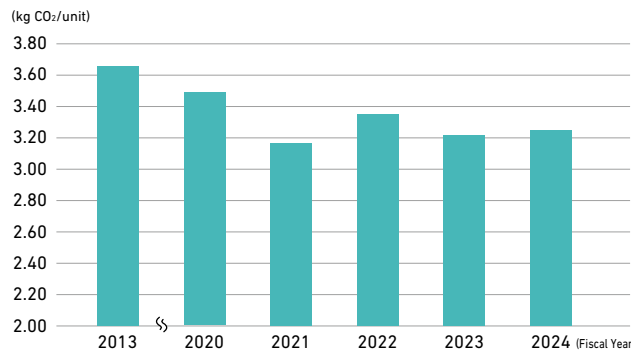
With the aim of reducing CO₂ emissions, JATCO utilizes green logistics when transporting parts. From 2013 to 2024, we achieved an 11% reduction in CO₂ emissions. In order to reduce the CO₂ emissions resulting from the transportation of our parts, we have been implementing a modal shift in our logistics, while working to obtain the acceptance of our customers in Japan.

Specifically, starting from FY2009, we switched from trucks to railcars for transporting procured parts for the route from Hiroshima (approximately 780 km away) to Shizuoka, where JATCO's production bases are located. As a result, we were able to reduce our CO₂ emissions by 83.3%.

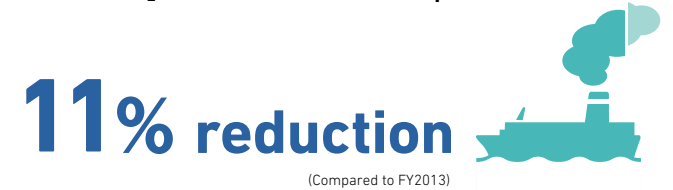
Additionally, since September 2019, we have introduced double trailer trucks to transport JATCO production parts from the JATCO Fuji area to the Kyoto Yagi plant, and transporting at a high load factor led to a reduction in CO₂ emissions.

We will continue to pursue this modal shift and work to improve load efficiency to achieve environmentally friendly parts transportation.

CO₂ emissions per unit in transportation



FY2024 CO₂ emissions due to transport activities



CO₂ emissions from logistics

(Fiscal year)

	Unit	2022	2023	2024
Total	t-CO ₂	4,166	4,344	3,795
Inbound	t-CO ₂	2,824	2,834	2,508
Internal	t-CO ₂	1,262	1,422	1,223
Outbound	t-CO ₂	80	88	64

Load ratio

(Fiscal year)

	Unit	2022	2023	2024
Truck	%	94.0	94.3	94.3
Rail	%	6.0	5.7	5.7



Land transportation by railway



Double trailer truck (Photo provided by Vantec Corporation)

Promotion of decarbonization

Production area efforts

Consolidation and shutdown of heat treatment furnaces

Approx. 1,659 t-CO₂/year

In the plant's heat treatment process, we are managing the load factor of each furnace for quenching and tempering treatments, while also shutting down conventional gas carburizing furnaces with poor efficiency and consolidating operations into vacuum carburizing furnaces. We are working to reduce CO₂ emissions through efficient furnace operation.



Optimized steam supply for Fuji Areas 2, 3, 4, and A Plants

Approx. 1,081 t-CO₂/year

Steam for Fuji Areas 2, 3, 4, and A Plants was collectively supplied by boilers in the Area 2 Power Supply Building, resulting in a total steam piping length of approximately 7 km and a maximum pipe heat loss of 8.4 GJ/h. By installing a dedicated individual boiler for the Area 4, we removed the steam piping from Area 2 and reduced pipe heat loss.



Consolidation of molten metal transportation at Fuji Area 3 foundry

Approx. 820 t-CO₂/year

At Fuji Area 3 Plant, each foundry (No. 2 Foundry and No. 3 Foundry) had its own melting furnace, and the molten aluminum was used only within each respective foundry. By introducing necessary equipment such as pots, we have made it possible to transport molten metal from the No. 2 Foundry to the No. 3 Foundry, achieving improved efficiency through consolidation.



Solar carport at Yagi Area parking lot

Approx. 1,659 t-CO₂/year

As part of efforts to introduce renewable energy, JATCO has installed a solar carport at the Kyoto Yagi Area parking lot under a solar power purchase agreement (PPA) model. It is expected to cover approximately 2.8% of the electricity consumed at the facility.



Power consumption visualization dashboard

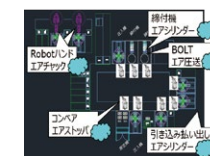
With the aim of raising carbon neutrality awareness, we set up a power consumption visualization system that shows the status of plant power consumption and a CO₂ emissions visualization system on our internal portal site. All of our employees can easily check the amount of electricity used in each area, thereby leading to self-initiated energy saving.



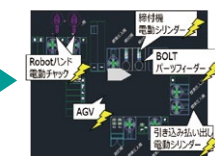
Airless model line

In the new line at Fuji Area 4 Plant, the airless concept was incorporated into the line concept at the project stage and integrated into the equipment design. Some model lines have achieved all-electric operation, with an expected 70% reduction in CO₂ emissions. While we have only achieved all-electric operation on some lines at present, we are also adopting the airless concept partially in other lines.

Current state



Airless model line



Promotion of decarbonization

Development efforts

Co-development and production launch of electric powertrain X-in-1

JATCO is co-developing and producing the electric powertrain X-in-1 for electric vehicles (EVs) with Nissan Motor Co., Ltd., contributing to decarbonization.

Comprehensive efforts

Reuse of Nissan LEAF batteries, solar powered outdoor lighting

JATCO has changed its Fuji Area 1 Plant and HQ Area outdoor lighting equipment to solar power specifications, achieving zero CO₂ through zero commercial power.

The CO₂ reduction effect is 0.8t-CO₂/year/unit and the storage batteries reuse Nissan LEAF batteries, also contributing to the circular economy.

In an emergency, the batteries can be removed and used as a portable power source for disasters (capacity of 40,000 mA).



Solar powered outdoor lighting being installed at Fuji HQ



Partnership agreement for realizing Fuji City Zero Carbon City

In October 2023, JATCO concluded a Partnership Agreement with Fuji City to realize the Fuji City Zero Carbon City initiative, which aims to achieve net-zero greenhouse gas emissions in Fuji City by 2050. We report our greenhouse gas emission reduction targets and results to Fuji City. Additionally, JATCO's activities are featured in Children's Zero Carbon Challenge, an environmental awareness booklet distributed to fourth-grade elementary school students in the city.



Children's Zero Carbon Challenge

Fuji City Zero Carbon City partnership agreement signing ceremony

Implementing a green curtain project

At our Yagi Area in Kyoto we are implementing a green curtain project by growing vines around the plant building to block direct sunlight. By using plants to block the sunlight, we are reducing the generation and penetration of radiant heat.



Use of energy-efficient equipment and visualization of power consumption

At the Fuji Area office building, we have implemented measures to make it possible to see conference rooms' CO₂ emissions at a glance, thereby promoting activities to enhance energy conservation awareness.



Contribution to Vehicle Electrification



Introducing electrified products utilizing JATCO's proprietary technologies

As a CVT and AT manufacturer, JATCO has delivered over 130 million units to the market. Meanwhile, for more than 10 years, JATCO has been accumulating know-how in preparation for the era of electrification. In 2010, we developed the JR712E, the world's first transmission for RWD hybrid vehicles that uses a one-motor, two-clutch system. Furthermore, we have started supplying motors and gearboxes for electric vehicles. From 2025, to launch the X-in-1, which integrates gears, a motor, and an inverter, we have established our first production base in Europe in the UK and launched a production line at the Fuji Area. We will continue to contribute to the realization of a decarbonized society through the development and production of competitive electric powertrains.



Contribution to Vehicle Electrification

Steadily preparing for annual production of 5 million units for EVs by 2030

JATCO has set a goal of increasing annual production for EV units to 5 million units by 2030. Starting in FY2025, we are beginning mass production of the X-in-1 electric powertrain, which we have been jointly developing with Nissan Motor Co., Ltd. We will steadily establish this mass production and contribute to enhancing the competitiveness and appeal of Nissan vehicles through performance and quality.

3-in-1 for electric vehicles

The 3-in-1 will be installed in the new Nissan LEAF, scheduled for market launch in FY2025, and will enable efficient energy management and superior driving performance.

3-in-1
(For electric vehicles)



Nissan LEAF



5-in-1 for e-POWER

The 5-in-1 is the central electric unit responsible for the high performance of the third-generation e-POWER. It is scheduled to be installed in the European Qashqai in the second half of FY2025, followed by the next-generation Rogue in North America and the all-new Elgrand for the Japanese market in FY2026.

5-in-1
For e-POWER (hybrid)



Third-generation e-POWER vehicle lineup

Qashqai
(launched in the European market in September 2025)



All-new Elgrand



Production bases are also being steadily prepared

JATCO UK Ltd

JATCO UK Ltd, announced in January 2025, has been established in Sunderland and is scheduled to begin supplying the 3-in-1 to Nissan's UK base starting in 2026. JATCO UK Ltd will be JATCO's first production base in Europe.



e-Powertrain plant

We have renovated the plant in the Fuji Area that had been producing automatic transmissions and made it the independent e-Powertrain Plant starting in FY2025. This plant will serve as a global mother plant and become an important base for the worldwide deployment of the technological capabilities cultivated in the Fuji Area.



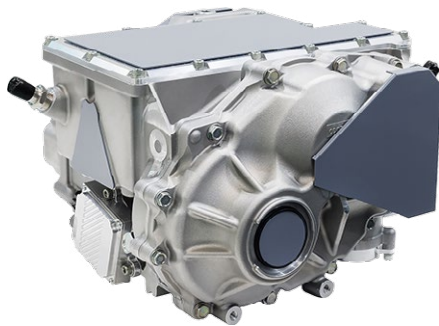
Contribution to Vehicle Electrification

JATCO's independently developed ultra-compact e-Axle

JATCO is advancing research and development on an original e-Axle. This unit is such an ultra-compact size that it can fit in the space of a laptop computer, yet generates sufficient output, boasting industry-leading size efficiency. In the independent development of the e-Axle, achieving high power density (downsizing) is one of the most important issues. The size of the e-Axle enables it to be installed in the vehicles of many of our customers, so we believe our business opportunities will expand.

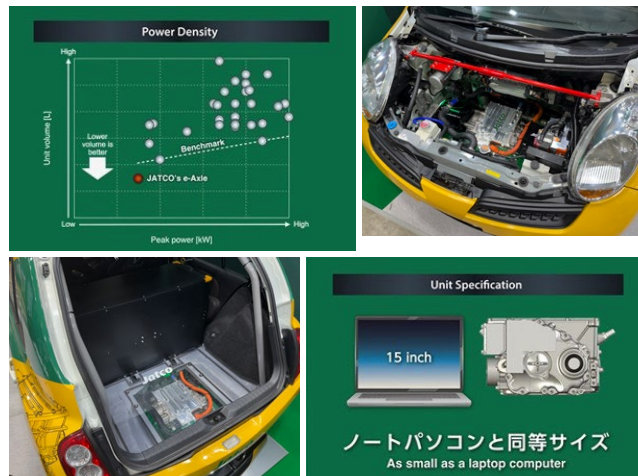
Challenge of achieving high power density (downsizing)

Achieving high power density in e-Axles goes beyond mere downsizing. It enables vehicle weight reduction and efficient use of resources while significantly enhancing design flexibility in vehicle development. With the transition to electric vehicles, an increase in vehicle weight due to battery installation is inevitable. This weight increase requires greater driving force depending on the vehicle type, increasing the need to install e-Axles on both front and rear axles. Achieving high power density in e-Axles also provides a solution to this challenge.



Nurturing next-generation engineers

Furthermore, from the important perspective of nurturing next-generation engineers, we are actively creating opportunities to install this prototype unit in actual vehicles and verify performance through real-world driving tests. The unit test car is equipped with units on both front and rear axles. Engineers gain experience from these practical initiatives, ensuring the continuous accumulation of advanced technological capabilities for the future.



Aiming to expand our lineup

In this way, for electrification, we will first firmly establish our electrification business with X-in-1 to cover vehicles in the main volume zone, and in the medium to long term, we aim to expand our future lineup through technological development such as downsizing. We will continue to vigorously advance electrification.



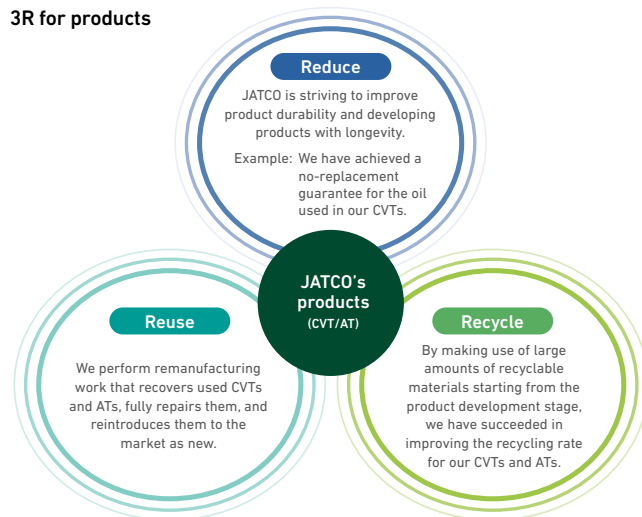
Building a Circular Economy



JATCO Circular Economy Concept

As a manufacturing company, JATCO believes that it is important to make effective use of limited resources. For some time now, we have promoted a manufacturing style in which we collect used ATs/CVTs manufactured by us and then remanufacture and reuse them. Going forward, we will also focus on further promoting the circular economy. Specifically, we are advancing initiatives centered on the 3Rs (Reduce, Reuse, Recycle) approach. By designing and developing products that can be used for a long time, we reduce waste. Furthermore, by regenerating and reusing parts that are still usable from products collected from the market and by utilizing recyclable materials to regenerate them into new resources (recycle), we achieve minimization of resource dependence and waste reduction. We will work to build effective mechanisms for a circular economy across our products and business activities.

3R for products



Initiatives for waste management

Efforts to sort waste thoroughly for recycling

JATCO is endeavoring to recycle waste with thorough sorting in order to use resources efficiently and sustainably. As its waste treatment method, JATCO has eliminated waste disposal through simple incineration and landfills and is implementing material recycling (reuse and recycling) and thermal recycling (conversion to fuel). Due to this, we have attained a 100% recycling rate for waste in the production stage at our locations in Japan.

Recycling rate

100% attained

(Scope: Japan)

Initiatives to reduce waste through companywide participation

JATCO employees are always working on waste reduction from the perspective of the 3Rs.

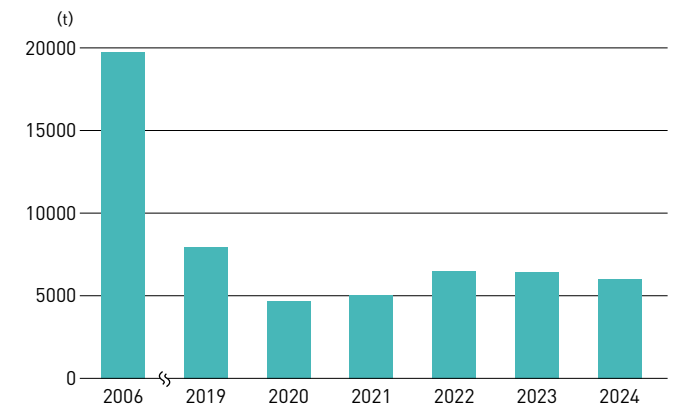
At each location, we establish waste reduction targets, register ideas for initiatives implemented at each workplace, and share information on reducing waste to improve employee motivation at each workplace. The amount of waste in 2024 was 5,999 tons, a reduction of 69.7% compared to 2006.

Total waste generated in FY2024

69.7% reduction

(Compared to FY2006)

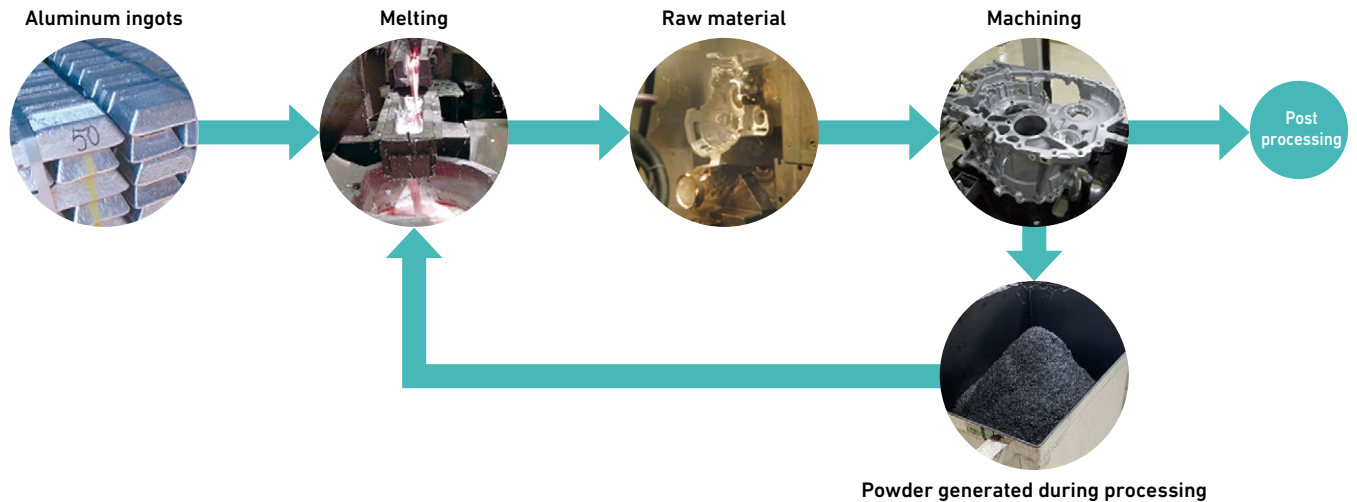
Waste generation



Building a Circular Economy

Recycling of aluminum scrap

When cutting aluminum raw materials in the production process, aluminum shavings (powder) are generated. JATCO collects this generated powder in-house, melts it again, removes impurities, and then reuses it in products through the raw material processing process. Recycling aluminum powder not only reduces new resource input and reduces waste, but also contributes to energy conservation and the reduction of greenhouse gas (CO₂) emissions.



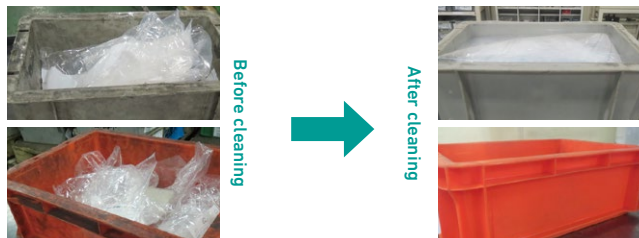
Packing density improvements and reuse of packaging materials

As part of our efforts to improve our loading ratio, which contributes to a reduction in the number of trucks used, JATCO is taking steps to improve the packing density of purchased parts for delivery. Plastic containers and plastic cushioning material used to protect products during transportation and storage that had become unusable as a result of deterioration or product changes had previously been disposed of as industrial waste. However, after 2004, JATCO began reusing this material for other products. We have also gained the cooperation of companies engaged in the production of plastic to help us further reduce the waste we generate, such as by recycling our plastics into raw materials.

Improving the packing density of parts purchased



Eliminating wasted space not only improved transportation efficiency, but also made handling goods safer



Employees are also encouraged to keep containers clean

Trend in amount of plastic containers recycled or reused

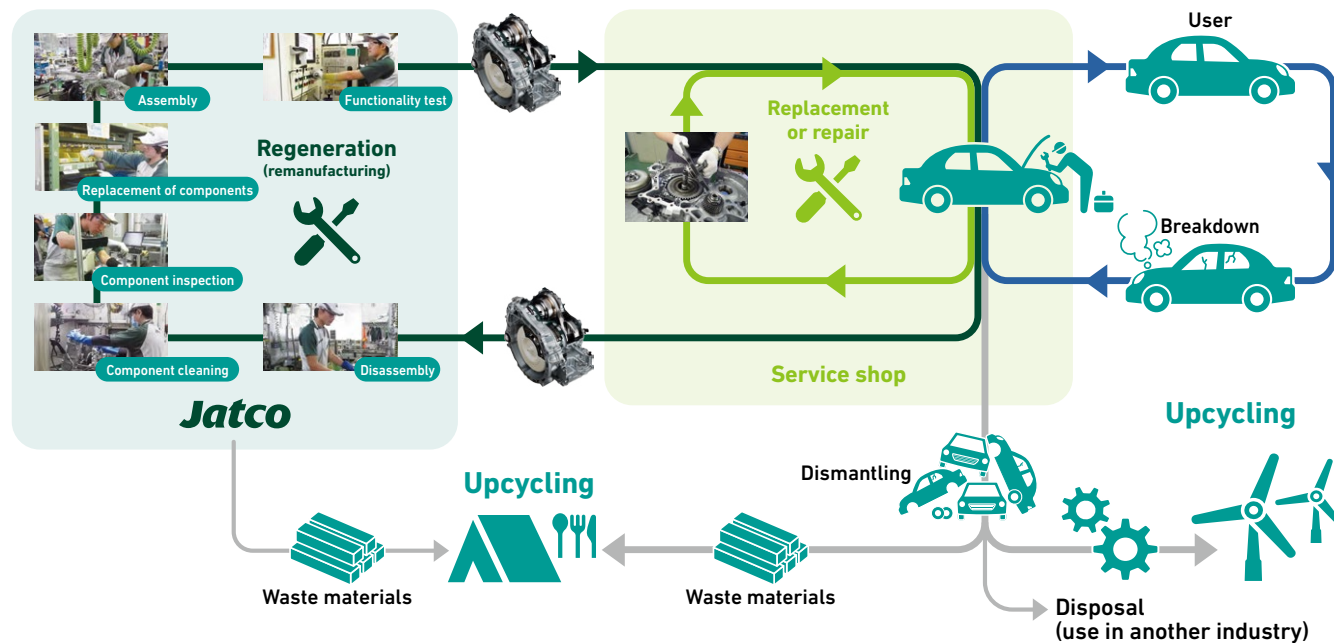
Fiscal year	t
2018	40.1
2019	34.2
2020	39.5
2021	28.9
2022	29.6
2023	347.0
2024	51.0

Building a Circular Economy

Initiatives for unit repair and regeneration

From the perspective of minimizing resource dependence and reducing waste, JATCO has been developing repair technologies for units released on the market and working on the reuse business. When a CVT/AT produced by our company breaks down, we first identify the breakdown area and, whenever possible, replace or repair the broken component on the spot. In the case that it is difficult to replace the component, we recover the unit, disassemble it, clean it, inspect it, replace it, reassemble it, and carry out a functionality test before regenerating it as an

after-sales service component that is no different in quality from a brand-new product and providing it to the customer. Furthermore, we advance the reuse as materials of units that are difficult to regenerate as CVTs/ATs. Through these activities, we will explore further possibilities for reusing units and components, including upcycling, and work to build effective mechanisms for a circular economy.



FY2023-24 global shipments
 Components for repairs: 53,000 units
 Regenerated units: 91,000 units

Upcycling initiatives

Power generation gearbox (nacelle) for medium-sized onshore wind turbines

Uses motors and inverters from used Nissan LEAFs. Aiming for practical application in 2025 in collaboration with Zephyr Corporation.



Power generation gearbox (nacelle)

Outdoor eco-knife ARUNEMO

Produced using scrap materials generated during the manufacturing of automotive transmissions. Also contributes to regional revitalization through collaboration with two manufacturers of wood and leather products based in Fuji City.



Eco-knife ARUNEMO

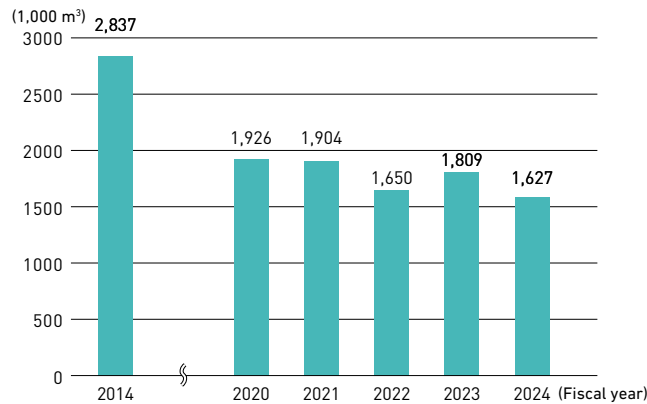
Air, Water and Soil Conservation



Annual water consumption reduction target of 2%

JATCO tracks the amount of water used for production at our plants and is working to reduce it. In accordance with the "Nissan Green Program" formulated by our parent company, Nissan Motor Co., Ltd., we have been working on a comprehensive reduction of our water consumption since fiscal year 2014 as a countermeasure against global water depletion. With the goal of reducing the amount by 2% every year, we achieved a reduction of 42.7% in fiscal year 2024 compared to fiscal year 2014.

Water usage



Maintaining high standards of purification

JATCO's production plants not only comply with the standards for water discharge established by national and municipal governments, but have also drawn up even more stringent purification standards for internal use. By combining facilities for activated carbon adsorption, ultrafiltration, high-speed aggregation precipitation, contact oxidation, sand filtration, and pressure flotation, we continue to maintain a high level of purification quality.

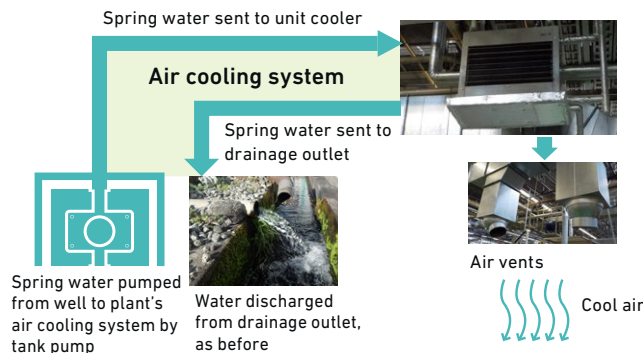
Furthermore, we have installed water-saving valves on the water faucets at each of our domestic offices to reduce our water usage.



Water treatment facilities

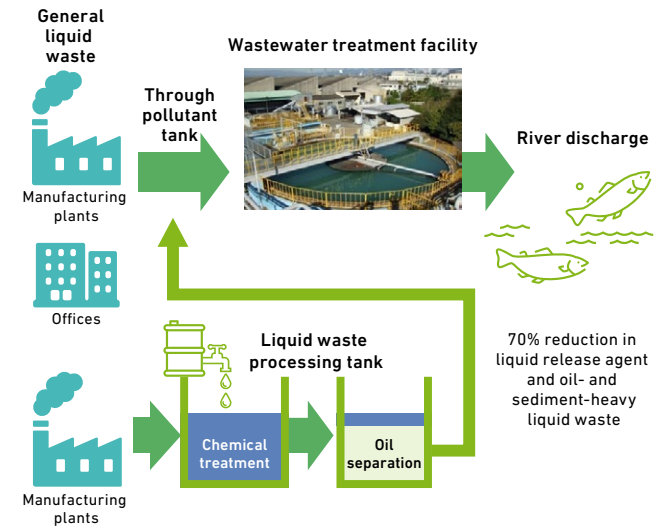
Mt. Fuji spring water cooling

There is a natural spring within the grounds of Fuji Area 1 Plant at the foot of Mt. Fuji. This water used to be discharged through a drainage outlet, but since the temperature of the spring water stays at 15–17 degrees Celsius all year round, we use it as a natural cooler via the plant's air cooling system.



Reduce liquid waste from manufacturing plants

Wastewater discharged from our manufacturing plants and offices is sent to in-house water treatment facilities, treated into safe water, and then discharged into rivers. However, liquid release agent or liquid waste with large amounts of oil or sediment cannot be treated to safe levels at water treatment facilities, so they have been processed externally as waste. Therefore, we repeatedly reviewed the chemicals used and our purification methods, and made it possible to treat the liquid release agent and liquid waste in-house.



Air, Water and Soil Conservation

Reusing discharged water through the adoption of cold water circulation equipment

JATCO promotes the reuse of discharged water, and has adopted the use of cold water circulation equipment to purify the water used for the cooling and cleaning of production equipment, as well as for the thinning of cutting oil.



Cold water circulation equipment at forging facilities

Learning about the importance of sustainable water resources

At our JATCO plant tours, which are open to the public, we provide opportunities for children to learn about the importance and mechanisms of wastewater purification. Through actual demonstrations, we aim to deepen children's learning, promote understanding of sustainable environments among younger generations, and foster environmental awareness.



Experiment during a plant tour for elementary school students

Safe and reliable transportation of polluted water

JATCO not only takes steps to reduce the incidences of water pollution, but also considers safety when transporting polluted water to treatment facilities. Measures have been put in place at the facilities where parts are cleaned to enable the repeated reuse of water after pollutants have been removed from it. After reusing this water for several months, it is then transported to a treatment facility by truck.

Given the fact that transportation of polluted water to treatment facilities through underground pipes and gutters is method that is easily impacted by the passage of time and has reliability issues, we are also making improvements by switching to transportation of this water using aboveground pipes that are visible to employees.



Transportation to a treatment facility via a dedicated waste transportation truck

Air, Water and Soil Conservation

Management of chemical substances

Management of volatile organic compounds

We implemented volatile organic compound (VOC) countermeasures to achieve our target of reducing total VOC emissions by 30% (compared to FY2000) by FY2010, based on the action plan formulated by the Japan Auto Parts Industries Association (JAPIA). As a result of these countermeasures, we were able to reduce VOC emissions by 98% by FY2006, 99% in FY2010, and 99% again in FY2024.

VOC emissions for FY2024

99% reduction

Soil and groundwater pollution countermeasures

As part of our soil and groundwater pollution countermeasures, we completely abolished the use of organic chlorine-based solvents, and are currently monitoring our past usage of organic chlorine-based solvents and their impact on the environment.

Emissions of three major hazardous air pollutants

We were able to eliminate our emissions of three major hazardous air pollutants*¹ in FY2006, and we have successfully prevented further emissions through FY2024.

FY2024 emissions of three major hazardous air pollutants

None

(Compared to FY2000)

Management of PRTR*² substances

The amount of PRTR chemical substances handled by JATCO, calculated as the amount discharged and transported by domestic production facilities, is shown in the following table. By using cleaning solutions at room temperature in the machining process and switching to hot water cleaning in the assembly process, we have been decreasing the usage of PRTR chemical substances year by year.

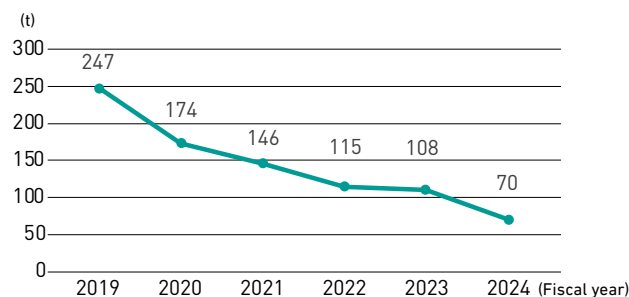
Classification	Chemical substance	Amount handled	Amount discharged			Transported
			Air	Water	Soil	
Specific Class I Designated Chemical Substances	Dioxin (mg-TEQ/yr)	0	21.3	0	0	0
	Benzene	0	1	0	0	0
Class I Designated Chemical Substances	Ethylbenzene	0	0.5	0	0	0
	Xylene	22,007	8.6	0	0	0
	Trimethylbenzene	40,012	8.8	0	0	0
	N-hexane	0	28	0	0	0
	Toluene	5,100	100	0	0	0

Unit: kg (mg-TEQ/yr for dioxins)

*1 Three major hazardous air pollutants: Dichloromethane, trichloroethylene, and tetrachloroethylene

*2 PRTR: Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof

Amount of PRTR substances handled (t)



Initiatives to reduce air pollution

At JATCO, we are promoting the adoption of regenerative burners in continuous heat treatment furnaces. Regenerative burners are devices that efficiently recover and reuse the thermal energy generated during the combustion process. By incorporating this technology into continuous furnaces, we can not only reduce energy consumption but also lower the temperature of emitted smoke and gases, thereby reducing the emissions of harmful substances. JATCO will continue to promote the use of sustainable technologies internally in order to achieve both environmental protection and economic growth.





Business

Mobility Innovation Utilizing Monozukuri

Solutions that Expand Mobility

Pursuit of Energy Efficiency



Solutions that Expand Mobility



Message

At JATCO, we are accelerating our expansion into new business areas beyond automobiles toward realizing our corporate purpose of “Driving the possibilities of mobility with technology and passion.”

With advances in electrification requiring us to deal with revenue structures that are different from conventional CVTs and ATs, we are expanding our business domain from automobiles to “mobility,” working on new businesses, and building a stronger system for promoting these efforts so as to achieve profitability through rapid commercialization and market introduction.

Leveraging precision machining technology and control technology cultivated over many years, JATCO is working on commercialization in diverse fields such as electric-assist bicycles, electric motorcycles, electric wheelchairs for nursing care, and products for wind power generation. In particular, we feel we are really gaining traction in the field of bicycles, where we are developing compact, high-performance drive units, realizing “solid assistance, smooth and sharp shifting, low noise and high efficiency,” and delivering this to customers in collaboration with Hodaka Corporation.

Through new businesses as well, we will contribute to the realization of a sustainable society by solving social issues and providing value to customers.



Head of Business
Development Division
Corporate Vice
President
Eiji Ogawa

Fostering entrepreneurship to “drive the possibilities of mobility”

JATCO must create new value and businesses and take on risks to continually grow toward our corporate purpose. This posture is that of entrepreneurship. Since FY2022, led mainly by the Corporate Planning Department, we have held business contests and companywide events to foster entrepreneurship. The business contest called for ideas from our global workforce for creating new businesses. In response to over 100 submissions, the management team took part in reviewing the proposals. The aims are to enhance individual flexibility and adaptability to change and to encourage individuals to achieve growth and self-fulfillment by proactively embracing new opportunities and challenges and thinking and acting independently to realize their own ideas.

The outstanding projects from the business contest participate in external innovation programs to refine their ideas and finally present business proposals to the management team. As a result, their work has been transferred to the New Business Promotion Department together with its promoters, and there are some projects which are continuing their activities toward commercialization. Some of the refined ideas have made it through to field trials and are being tested in the market. We are advancing commercialization based on feedback from the market and customers.



Development team for a 2-in-1 drive unit for electric-assist bicycles



The participants in the FY2023 business contest

Solutions that Expand Mobility

Developing an automatic 2-speed in-wheel drive unit for electric motorcycles

We jointly developed this product with Zhejiang Jiuzhou New Energy Technology Co., Ltd., a prominent Chinese manufacturer of drive units for electric motorcycles. This unit, which integrates an automatic 2-speed transmission with a motor, exceeds a maximum torque of 250 Nm and a top speed of 100 km/h, and can climb steep gradients of 30 degrees.

JATCO aims to launch in the market during fiscal year 2025.



Automatic 2-speed in-wheel drive unit for electric motorcycles

Developing a 2-in-1 drive unit for electric-assist bicycles

This drive unit combines an assist motor and transmission mechanism using our proprietary technology. We have also developed a smartphone app to monitor the remaining battery level and travel range and adjust the assist levels.

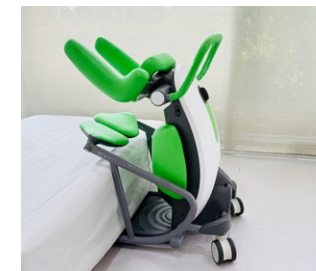
In February 2025, we concluded a Memorandum of Understanding (MOU) regarding mass production of the drive unit with Hodaka Corporation. We aim to launch in the Japanese market during fiscal year 2025.



2-in-1 Rear Hub Unit

Developing a wheelchair with a transfer mechanism

The wheelchair with transfer mechanism that JATCO is developing is a mobility device which integrates transfer and mobility. We are advancing the development of products to achieve smooth transfers and bring smiles to the faces of caregivers on the frontlines by using ergonomic robotic control to overcome challenges in nursing care faced by both caregivers and recipients of care on the frontlines.



Integrating the functions of mobility and transfer

Pursuit of Energy Efficiency



As a powertrain specialist manufacturer, JATCO has continually honed its technologies to supply increasingly energy-efficient units, delivering products that balance environmental performance and power. We will firmly carry these technologies forward into the electric powertrains we launch onto the market in the future.

Jatco CVT-XS

CVT with dramatically improved environmental performance and drivability

The Jatco CVT-XS is a product that is the culmination of our technological expertise as a transmission manufacturer and has dramatically improved environmental performance and driving performance. It expands the gear ratio by approximately 13% compared to conventional transmissions of the same size, and has reduced mechanical loss due to its smaller mechanical oil pump. Due to these improvements, the fuel efficiency of the vehicle has improved, contributing to meeting the requirements of the Greenhouse Gas/Corporate Average Fuel Economy (GHG/CAFE) regulations in the United States.



Jatco CVT-XS

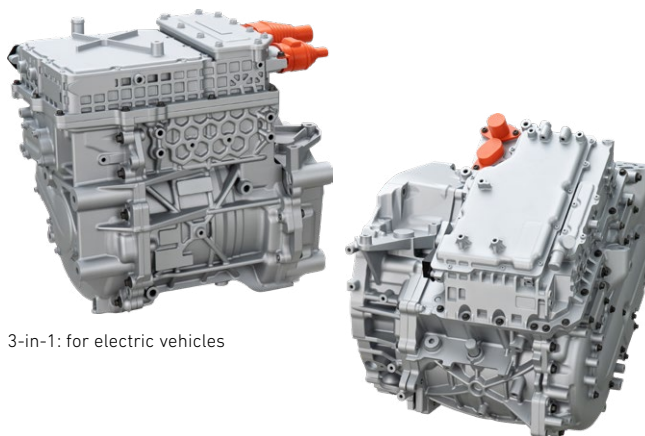
X-in-1

An electric powertrain which achieves the sharing of major components and modularization

Integrating major components such as the motor, inverter, and gears makes it possible to create a small, lightweight electric powertrain unit, contributing to enhancing the energy efficiency of vehicles.

Furthermore, sharing major components between the 3-in-1 for electric vehicles and the 5-in-1 for e-POWER enhances the production efficiency of the units and contributes to enhancing energy efficiency during production.

In addition, the use of a motor which uses less than 1% rare earth reduces the environmental impact.



3-in-1: for electric vehicles

5-in-1: for e-POWER

High-efficiency ultra-low-viscosity reducer oil

Ultra-low-viscosity oil contributing to electrical power saving in EVs

We have developed an ultra-low viscosity oil which can contribute to electrical power saving in EVs.

This oil can significantly reduce friction in the reducers of EV systems, making it possible to extend travel range without increasing battery capacity.

As a result, this oil will contribute to reducing the cost of and popularizing EVs, and achieve a reduction in CO₂ emissions that will help prevent global warming.





Society

Coexistence with Local Communities and Contribution to their Development

Community Development

Social Contribution Activities



Community Development



With local communities

The JATCO Group's aim is to become a "good corporate citizen" that is loved by local communities. Corporate activities are conducted through our involvement with local communities. JATCO considers it an important responsibility to be proactively involved with society as a community member and contribute to the local community in a variety of ways.

Participating actively in resolving local issues by leveraging the JATCO Group's technologies and assets helps make our presence appreciated by the community, which is beneficial to the company. These efforts lead to mutual growth and development of the community and company. For instance, by using our automotive unit technologies to develop a drive unit for e-bikes, we can help address community challenges, such as promoting local tourism and health enhancement.

We are also maintaining the flower beds at the Gakunan Electric Train's JATCO MAE Station to enrich the lives of everyone in the region. While responding to increasingly complex societal issues, the JATCO Group continually contributes to regional revitalization and the resolution of societal and environmental issues through dialogue with local communities.



Hana-saku JATCO MAE Station Project

Fuji Area: Certified as a Bicycle Commuting Promotion Company by Fuji City

In 2022, JATCO signed an agreement with Fuji City regarding resolving regional issues using bicycles, and has been advancing the use of bicycles for community development. In March 2025, JATCO obtained certification as a declared company under the Ministry of Land, Infrastructure, Transport and Tourism's "Certified Bicycle Commuting Company" Declaration Project, which certifies companies and organizations that promote bicycle commuting, in cooperation with Fuji City. This not only promotes heightened environmental and health awareness among employees, but also contributes broadly to community development from the perspective of promoting bicycle use in Fuji City.



Thailand: Acceptance of Shizuoka High School Students for Internships

JATCO and JATCO (Thailand) Co., Ltd. support the "High School Student Overseas Internship" program organized by the Shizuoka Prefectural Board of Education, which aims to develop global human resources who can play active roles both domestically and internationally. In 2024, we accepted six high school students from the prefecture for internships. Pre-training was conducted in the Fuji Area in July, and in August they traveled to Thailand, where they had opportunities to interact with local members and experience Thai culture. JATCO will continue to support opportunities for developing global human resources and learning about the appeal of companies.



Fuji Area: Exchange between Local Government and Regional Companies (Tuesday Meeting)

The Tuesday Meeting is an exchange meeting held for many years as a forum for Fuji City and local companies to share recent updates and information. In June 2025, JATCO hosted the meeting, bringing together Fuji City and 13 local companies, where the Fuji City Future Children's Department explained the city's measures to address declining birthrates, followed by active discussions with participating companies. Participants also deepened exchanges through tours of JATCO's CVT plant and lettuce farm.



Mexico: Acceptance of Universities and Vocational Schools

JATCO Mexico regularly conducts plant tour programs inviting students from universities and vocational schools. In 2024, we accepted three schools including the Northern Aguascalientes Institute of Technology. For students, this is a valuable opportunity to directly experience how the knowledge they learned in theory is actually applied in the automotive industry. Through such industry-academia collaboration initiatives, we develop young talent and build relationships with educational institutions, contributing to the development of the local community.



Social Contribution Activities



Our three key categories: environment, education, and welfare

The social contribution activities of the JATCO Group have the characteristic that they are mostly in the employee participation style. The JATCO Group has established the environment, education, and welfare as the three key categories for our community contribution initiatives and most of these initiatives take a form in which the employees actually move their bodies. Moreover, another major advantage for the employees is that through the activities we carry out in each region and site they can receive direct feedback from the people included in the activities.



15,307 participants globally

The JATCO Group conducts social contribution activities globally, tailoring efforts to the needs of local communities around the world. In FY2024, 15,307 employees worldwide participated in these activities. They carried out a variety of activities in the areas of the environment, education, and welfare.

A selection of activity examples

Area	Number of participants	Main activity examples
Japan	6,327	Kids Engineer Program (elementary school students) Educational lectures; school & company visits (elementary, junior high, and high school students) Mt. Fuji Clean Route 3776 cleaning Supporting powerchair soccer
Mexico	3,533	Donating food to hospital users Donating school supplies Donating food to facilities that support people with disabilities
China	2,454	University career planning seminar Subway station environmental protection Tree-planting activities
France	80	Donating batteries Donating PET bottle caps Donating a part of the running participation fee to charity organizations
U.S.A.	120	Donating toys to children Painting road curbs Donating food
Thailand	2,160	Donating bags made from recycled PET bottles to students Donating used lottery tickets Green Roof Project (Recycling of beverage cartons)
South Korea	633	Donating clothing Distributing free food to the needy Donating towels to support animals

Message from the Social Contribution Leader

At JATCO, under the motto of being a “good corporate citizen,” we conduct social contribution activities globally at all of our locations, centered on three pillars: environment, education, and welfare. In FY2024, a total of 15,307 employees participated in various social contribution activities. Through various activities such as community trash collection, river cleaning, cooperation with food banks, and support for sports for people with disabilities, we witness the smiles of local residents and the lively engagement of participating employees, which makes us realize the significance of our activities. JATCO’s social contribution activities have now become a culture that we must cherish. We hope that our efforts will serve as an opportunity to further raise awareness of solving social issues in our communities.



Social Contribution Leader
Head of Corporate Quality Assurance Division, Corporate Vice President
Hiroshi Matsuda

Social Contribution Activities

Mt. Fuji Sports Trash Collection Competition

Environment Education Welfare

The competition held at Suzukawa Beach in Fuji City is not just trash collection, but a “sport” event where teams compete for points based on the amount and type of trash collected. This year, it became a large-scale event with 88 teams and 430 participants from local companies and schools. They collected 417 kg of trash! 87 pieces of which were large-sized waste! We are tackling ocean issues in a fun way.



Employee voice

I got absorbed in searching for trash like a treasure hunter. After the competition, we received free shaved ice and cotton candy that soothed our tired bodies. I would like to participate again.

Obuchi Sasaba Tea Picking Volunteer

Environment Education Welfare

The Obuchi Sasaba Tea Fields, which offer a beautiful contrast with Mt. Fuji, have been facing concerns about their survival in recent years due to the aging population. We support tea harvesting work as volunteers in cooperation with Fuji City, other companies, and the preservation association.



Employee voice

It was hard work carrying tea bags weighing 10-20 kg, but the cold fresh tea prepared by the preservation association members was very delicious. Since many tourists visit every day, I'm proud that we were able to keep the tea fields beautiful.

Kids Engineer Program 2024

Environment Education Welfare

This is a program for elementary school students to learn about gear mechanisms using electric vehicle models and experience the joy of monozukuri. The completed models are run on a dedicated course, and students measure their times repeatedly to find the optimal gear combination. We hope that children who become interested in monozukuri will become the engineers who will support Japan in the future.



Participant voice

- Times were displayed on a ranking board, which made me want to try again and again. It was fun. I want to participate again.
- I was impressed by my son's dedication, which I don't usually see.

Powerchair Soccer National Tournament

Environment Education Welfare

At the powerchair soccer national tournament that JATCO continues to support, we play an indispensable role in the tournament, including attaching and detaching foot guards at the “JATCO Pit” and supporting tournament operations. Players with disabilities skillfully maneuver their powerchairs, and the venue is filled with emotion at their intense performance.



Employee voice

The players of the 19 teams from all over the country, from Hokkaido to Kagoshima, and their families said “thank you” to us. I was happy to feel that I was being helpful.

Meal distribution volunteer (South Korea)

Environment Education Welfare

We participated in the Seoul Station free meal volunteer activity organized by the Nanumi Community together with member companies of the Korea Foreign Company Association (FORCA). We strengthened solidarity with the local community by handing out warm lunch boxes one by one to homeless people.



Employee voice

Extending a helping hand in a way I could do it, and being able to contribute even in a small way, was a valuable experience.

Tree-planting activities (Mexico)

Environment Education Welfare

In cooperation with the government, we conducted tree-planting activities at Rodolfo Landeros Park, the largest in the city. More than 100 employees and their families participated and planted 100 trees. This is JATCO's sustainable initiative aiming for the coexistence of environment and mobility, demonstrating our commitment to environmental protection for the next generation.



Employee voice

By passing on abundant greenery to the next generation, we can contribute to a sustainable society, and it's a very good activity because we can teach children by example.



Human Capital

Promoting Diversity and Improving Employee Well-being

Diversity & Inclusion

Career Development

Occupational Safety & Health



Diversity & Inclusion



Diversity at JATCO

In order to expand our business globally in response to changing times, JATCO positions diversity as a value to be cherished by our employees. This involves engaging in a variety of initiatives with the objective of generating new ideas and providing better value to our customers by having employees with a wide range of values work together and exchange opinions while treating one another with respect.

Diverse work styles

JATCO aims to build a workplace environment that enhances productivity and enables everyone to work enthusiastically with a sense of security, improving the quality of life (QoL) for all employees. We have been early adopters of flex time; life support leave for a wide range of family assistance encompassing childcare, nursing care, and fertility treatments; telecommuting; and work interval systems, which many employees utilize. Since 2015, in recognition of our achievements, JATCO has been receiving the Special Certification Based on the Act on Advancement of Measures to Support Raising Next-Generation Children (commonly known as the Platinum Kurumin Certification).



* Platinum Kurumin: Among Kurumin certified companies, those making a higher level of effort and satisfying certain requirements can receive this certification.



Empowering women

JATCO works to empower women as one of the pillars of its diversity promotion efforts. The ratio of women in managerial positions currently stands at 5.3% in FY2024, surpassing the Ministry of Health, Labour and Welfare's published cross-industry average for women in management, and we are focusing our efforts on training with the goal of achieving a further increase of this figure to 7%. We also encourage male employees to take childcare leave to participate in parenting and are working to top the 38.6% male childcare leave rate achieved in FY2024.

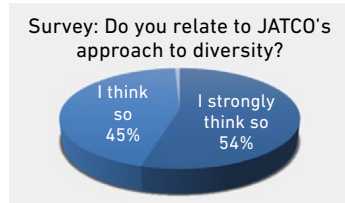


Additionally, regarding the empowerment of women at our manufacturing facilities, women can demonstrate leadership on our diversity lines, where everyone is made to feel welcome.

Encouraging the understanding of the entire company

In order to widely inform and encourage understanding among employees about JATCO's approach to diversity and inclusion and the current situation of the entire company, every year we conduct e-Learning and surveys across the entire company, including management.

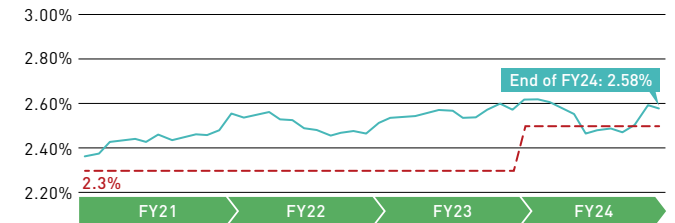
From 2024, we will introduce diversity training for new employees as well, providing opportunities for discussions among the employees. In the 2024 survey, 99% of respondents said they related to JATCO's approach to diversity.



Promoting the active participation of individuals with disabilities

Many employees with disabilities are thriving at JATCO. Establishing workplaces (diversity lines and indoor farms) that accommodate diverse talents and placing them in positions that leverage their unique characteristics has led to providing an environment where employees can work vibrantly for a long time. Our employment rate for individuals with disabilities is 2.58% in FY2024, surpassing the statutory rate. The herb teas and vegetables cultivated at our indoor farms are used and sold in the cafeteria during lunch breaks and are very popular with our employees.

Trend in employment rate of individuals with disabilities (FY21–FY24)



Hydroponic cultivation of lettuce and other produce (JATCO Green Farm)



Herb cultivation and processing (Ebina Farm)



In our production plants, employees with disabilities are also in charge of assembly, processing, logistics, and other work together with the other workplace staff.

Career Development —JATCO's Approach to Career Development—



JATCO regards each and every employee as important human capital that supports the company, and we aim to become a company where all employees can experience personal growth and job satisfaction. We value diversity and making the most of each individual's strengths, while proactively working to develop career.

As a common set of values that embodies our corporate philosophy, we have established "T-E+-A-M" and clearly defined the values and behavioral standards to be respected as Global Common Competencies. We also established Specialized Competencies for each department and job type, and shared with all employees the capabilities that the company expects from them.

At JATCO, we have built a career development system based on two pillars: "role-based education" and "specialized education," so that employees can acquire the behavioral characteristics, skills, and knowledge that lead to these outcomes.

In addition, we provide a variety of growth opportunities as described below, so that each employee can acquire the necessary abilities according to their individual growth stage and role.

[Key growth opportunities]

- Support for employees' independent career development through three regular meetings per year with supervisors
- On-the-job training support in the workplace and skill acquisition through appropriate work assignments
- Systematic education according to job type and role (hierarchical education, specialized education, etc.)
- Growth support through internal events such as QC Society Competitions, Innovation Idea Contests, Digital Contests, etc.

Through these growth opportunities, employees proactively work on their own growth and aim to achieve sustainable growth together with JATCO. By maximizing the potential of each and every employee, JATCO connects human capital to corporate competitiveness and aims to create sustainable corporate value.



JATCO Basic Skill Championship

Career Development Policy

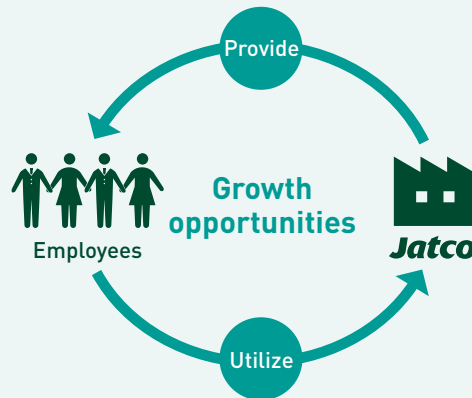
Required Human Resources

JATCO requires employees inspired by our Corporate Philosophy, that continuously contribute to the achievement of our Business Plan and realization of lasting company growth with Values T-E+-A-M and the necessary management and technical expertise.

Realization of Mutual Employees & Company Growth

With the aim of realizing the Required Human Resources, JATCO will continuously provide growth opportunities to our employees, while respecting the diverse backgrounds held by each of these employees.

Employees will take responsibility for their own growth and maximize the benefit of these growth opportunities.



Shared values T-E+-A-M

T	Team leadership by everybody One step ahead by everybody. Be yourself + small stretch. Be inclusive. Lead changes.	E	Entrepreneurship Explore social issues with interest. Broaden your horizons. Think for yourself and question the status quo. Challenge yourself. Don't be afraid to fail. Embrace change.
E	External mindset Know the world. Know competitors. Understand customers. Go outside, be at gemba, understand other divisions.	A	Aspiration to win Never give up. One more try when you think the game is over. Leverage diversity. Overcome organization barriers.
M	Monozukuri excellence Brush up today's capability by thorough San-gen-shugi. Quality-oriented. Enhance expertise. Train others for monozukuri transition.		

Career Development —Growth Opportunities for Administrative and Technical Employees—

Systematic career development support from the time of joining

JATCO provides a systematic and practical development program over the first three years after joining the company so that each new employee can quickly experience their growth. We have also introduced a Freshman Leader System in which senior employees provide support so that new employees can enjoy a fulfilling corporate life at their assigned workplace and take on work assignments with confidence.

- Year 1: Acquire basic knowledge to succeed at JATCO through production training, departmental training, etc.
- Year 2: Foster an entrepreneurial mindset through external training and cultivate the ability to solve problems with a customer-oriented approach.
- Year 3: Through resilience training, develop the ability to overcome difficult situations and cultivate an attitude and proactive behavior to think and continue learning independently.

Global standardized role-based practice program

JATCO implements approximately one-year development programs in the first year after promotion to each level, aimed at understanding roles and acquiring practical skills. Participants attend group training sessions regularly and deepen their understanding of their roles through group discussions with members from other departments at the same level, sharing concerns and questions, and strengthening connections and collaboration among employees.

For managers, we conduct training aligned with annual processes such as vision formulation, career development, interviews, and evaluations over two years from the first year of promotion, allowing them to steadily master the fundamentals of being a manager through repeated practice.

These role-based training programs are systematized as the "MMP* Series," realizing consistent development globally, including overseas locations.

* Manager Management Practice

Career training for each age group

We provide career training for each age group to increase the number of employees who continue to grow and work vibrantly, regardless of their age. In the training, employees take stock of their careers, picture what they really want to be, make an implementation plan to realize that goal, and then share the plan with their supervisor to work out the concrete details of an action plan. Currently, we provide training for employees when they turn 30, 40, and 50, and plan to expand it to other age groups in the future.

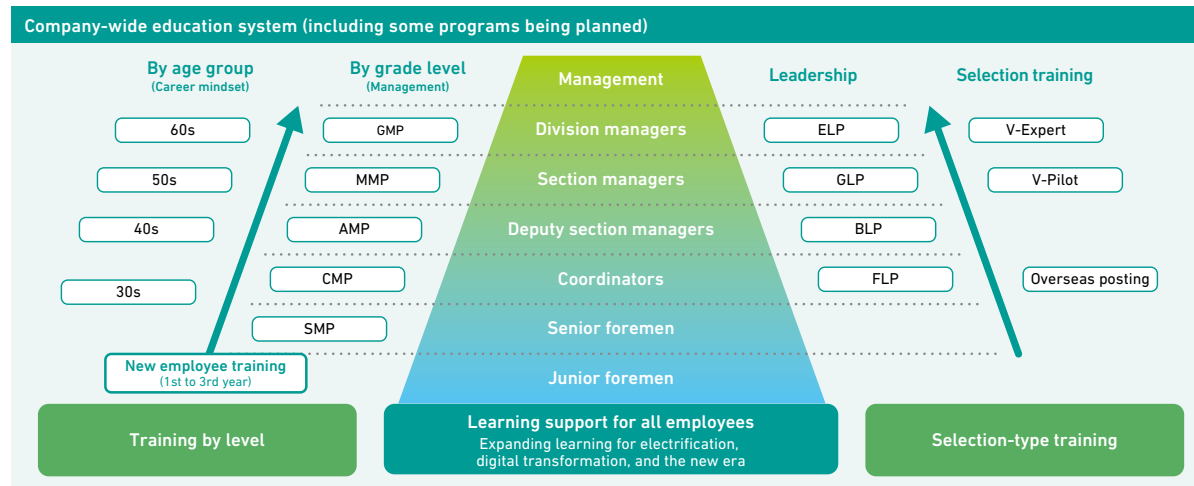
In-house open recruitment system

JATCO has established an in-house open recruitment system that allows employees to take on the challenge of finding the jobs they want, in order to support them in developing their own careers. Many employees utilize this system, under which they apply for jobs advertised in each division, to realize the career formation that is ideal for them.



New employee training program

Education system for indirect employees (administration and technology)



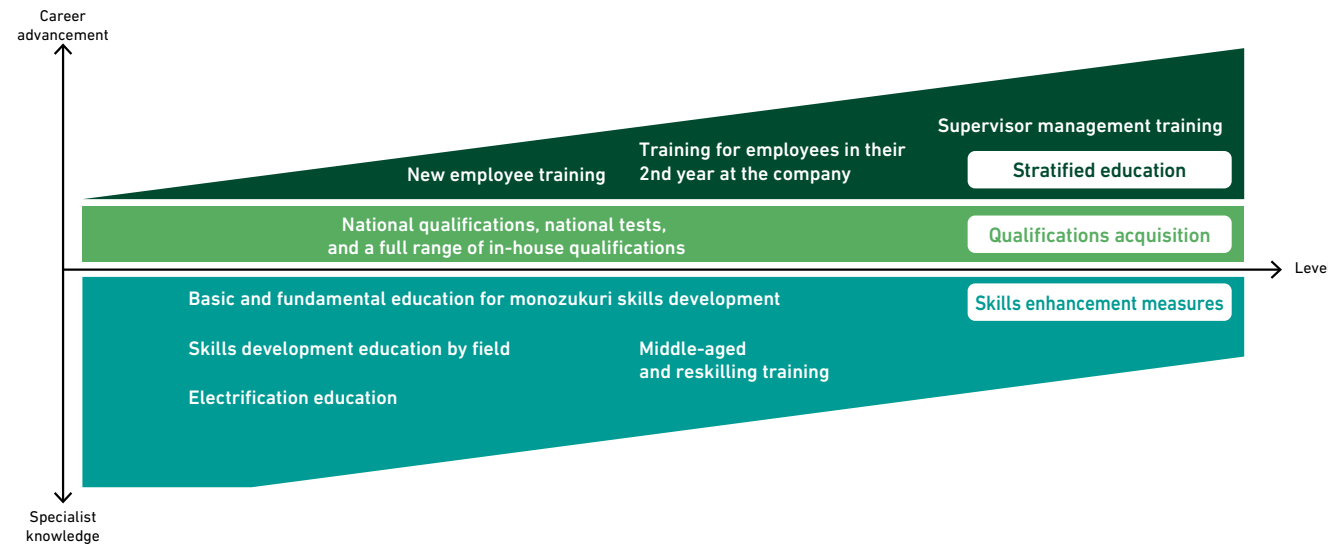
Leadership training program

Career Development —Diverse Educational Programs at Manufacturing Sites—

In an ever-changing environment, we must continually enhance techniques and skills at our manufacturing sites for JATCO to reliably deliver competitive, top-quality products to customers worldwide. JATCO provides systematic education from the time

new employees join the company until they become managers and supervisors, ensuring manufacturing personnel can continually enhance the techniques and skills that are the foundation of monozukuri (manufacturing).

Education System (skills)

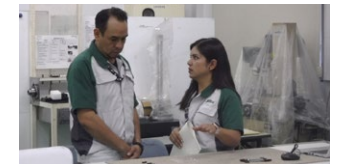


Monozukuri skills development training

We have staged courses tailored to skill levels across job types so that employees can incrementally acquire techniques from monozukuri fundamentals to the specialized skills in each field and put them into practice at manufacturing sites. Furthermore, a similar kind of career development is being carried out at overseas offices as well.



Skills development training (Japan)



General training (Mexico)



Specialized assembly core skills (Thailand)

Supervisor management training

Employees with hands-on experience acquire the practical abilities to act as workplace leaders. With guidance and advice from instructors, they learn in a practical manner about the management cycle, including standardizing tasks, teaching tasks, and post-teaching confirmation. This expands their awareness of others, sensitivity, and strength of character while learning the basics of communication and human skills.



Career development for electrification

As an electric powertrain manufacturer, we are committed to developing personnel who can work on electrified products. Building on JATCO's unique manufacturing expertise cultivated in CVTs and ATs, we are steadily advancing preparations to achieve the higher levels of safety and quality required in electrified products by sufficiently understanding functional and structural aspects unique to these goods. We have also established electrified-product training dojos.



Electrified-product training dojos

Occupational Safety and Health



In order to achieve a workplace environment in which our employees can work safely, healthily, and enthusiastically, JATCO is working on the creation of workplaces with no accidents or fires and the development of people proficient in safety under the banner of “absolute safety” and working on continuous improvements to the physical and mental health of our employees under the banner “health management.”

Basic Health and Safety Management Policy

Implementation of health and safety activities in which each and every employee actively participates

Ensuring the health and safety of employees is the basis of our corporate activities.


Recognizing that these are important issues in our corporate activities and that any setbacks could affect the survival of the company, labor and management will work together to promote health and safety activities in which each and every individual actively participates.

Health and safety activities that lead to corporate development

By continuously ensuring health and safety, we aim to be a company that is trusted by employees, their families, our customers, and the community, where the employees can work with peace of mind.


To achieve this, we will efficiently pursue the inherent safety of equipment, improve the work environment and work methods, and advance education and training, aiming for zero work-related accidents, occupational illnesses, and traffic accidents, which will lead to the development of the company.

JATCO's key phrase is “Absolute Safety”



ABSOLUTE SAFETY

1. Safety has priority over all works.
2. Safety is the most important in any operation.
3. Absolute safety means that safety has priority over work efficiency at all times.
4. Safety is the basis of work efficiency, and safety and efficiency never contradict each other.
5. Safety first begins with the 2S (*Seiri & Seiton*) in the work area.



Initiatives to secure safety

The three pillars of safety activities

At JATCO, we have established the following three pillars regarding safety activities.

1. Development of people proficient in safety, 2. Realization of safe equipment/work methods, 3. Initiatives to prevent the recurrence of accidents

Firstly, we believe that “education” is an essential measure from the perspective of career development, so we repeatedly emphasize the importance of behaving safely and the scariness of unsafe conditions.

Secondly, we are carrying out “activities to eliminate non-standard processes” in order to realize safe equipment and working methods. The main purpose of the activities is to “eliminate non-standard processes,” but even after implementing physical measures we implement the activities in collaboration with the on-site workers for management until elimination.

Finally, as initiatives with respect to “preventing the recurrence of accidents,” we conduct comprehensive inspections of accidents which occurred in the past. We are carrying out activities to identify not only hard countermeasures but also soft countermeasures that can be implemented, and to ensure that accidents are not forgotten.



Site patrols by health and safety officials

Developing people who are proficient with safety

Raising the safety level for employees overall

The plants have continued to take the lead in implementing safety activities based on Safety CAPDo*1 activities, but the situation is that accidents both requiring and not requiring time off work are continuing to occur.

We analyzed the factors behind the accidents occurring from the perspective of the 4Ms*2 and in the results the following four points came into sharp relief.

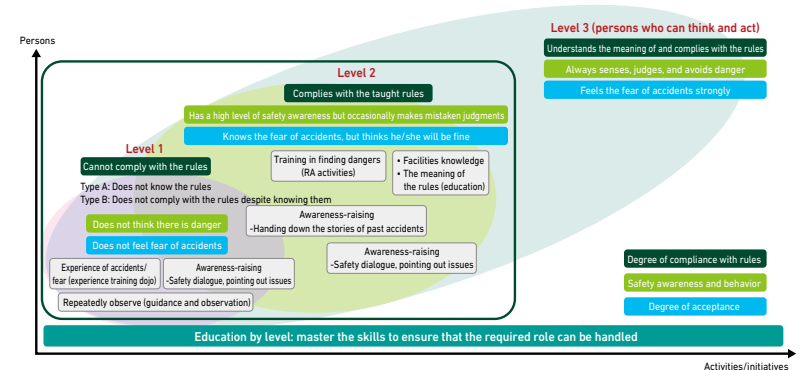
1. Lack of safety knowledge
2. Lack of danger sensitivity
3. Lack of confirmation in daily work
4. Overlooking of accompanying work

Regarding the basic axis, Safety CAPDo, we have given the first priority to raising danger sensitivity without making any changes (Level 1) and have stipulated Level 2 as increasing the propensity to take risks and additionally to abide by company rules.

Furthermore, we have defined Level 3 as employees who understand the meaning of the safety rules and can always sense, judge, and avoid danger, and we are currently working hard on safety activities every day with the goal of employees becoming Level 3 “persons who can think and act.”

*1 CAPDo: In contrast to the PDCA method of creating a plan first, this improvement cycle method changes the order of PDCA and starts with “C (Check = ascertain the current situation)”

*2 4Ms: A framework named by taking the initial letter of the four elements of Man, Machine, Material, and Method



“Developing people who are proficient with safety” ideal state

Occupational Safety and Health

Developing people who are proficient with safety

Renovating the safety experience training dojo

We provide experiential education at the safety dojo with the goal of providing emotionally compelling education that allows employees to recognize danger and experience the fear of unsafe behavior and unsafe conditions. The content of the education is created based on actual near misses and accidents that have occurred. Furthermore, for accident/near miss cases that would entail danger if they were actually recreated, we have introduced a theater-style experiential education tool. This enables the trainees to experience danger in a virtual space, as if they were actually present and working in that space.



A scene in education using theater-style experiential education tool



Physical experiential education: demonstration

Implementation of occupational safety and health education

(1) Education to enhance skills with respect to hazardous substances

We develop qualified personnel in-house by implementing skills courses based on the Industrial Safety and Health Act.

Persons eligible for the courses	Number of qualified personnel
Persons engaged in work handling hazardous substances	148 people
In-house certified safety auditors	2,660 people

As of the end of March 2025

(2) Safety education by level

Section managers and also health and safety management section assistant managers, plant managers, and leaders are required to receive safety education once a year.

Particular emphasis is placed on training for newly appointed health and safety management section assistant managers who are present as the people responsible not only for on-site guidance but also for safety and health activities for employees in their divisions and sections.

Level	Current situation		FY24	
	Frequency	Content		
Section managers	Only at times of promotion	Training for newly appointed managers	Once a year Implement incultation	
Health and safety management section assistant managers	↑	Training for newly appointed health and safety management section assistant managers		
Plant managers	↑	Foreman education		
Leaders	↑	↑	—	
General employees	Once each	Only when joining the company		Subcontractor education (shared)
		↑ By SHOP		
		↑ After deployment		
		Skills development education (basic and fundamental)		
		↑ Junior		
↑ Intermediate				
↑ Senior				

About the safety education system and our priorities

Realization of safe facilities/work methods

Safety activities tackled by all of our employees

We recognize the task of ensuring safety as a priority in all our work, and have established "Absolute Safety" as our motto. In line with this, we engage in safety activities with a focus on on-site inspection, such as risk assessments, SES I*1, 5S patrols*2, plant (division) safety patrols, public work inspections, and safety specialist inspections by agilely (adaptably and quickly) applying Safety CAPDO in order to move from zero accident to zero danger workplaces.

*1 SES I (Safety Evaluation System I): Our system for quantitatively assessing safety levels at the workplace

*2 5S patrols: Patrols of our sites on a regular basis to ensure compliance with the 5S methodology (Seiri [Sort], Seiton [Set in order], Seisō [Shine], Seiketsu [Standardize], Shitsuke [Sustain])



Implementing SES I globally, including the overseas offices

Occupational Safety and Health

Realization of safe facilities/work methods

Eliminating non-standard processes

Particular emphasis is placed on eliminating non-standard processes that have a high risk of causing work accidents and may also cause losses in our production activities.

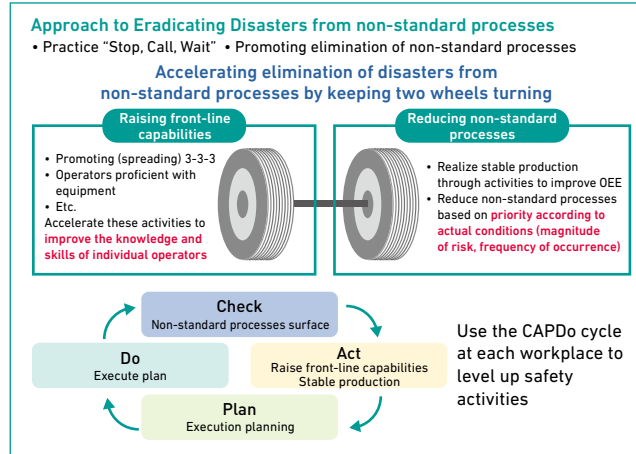
The assessed risks of each production activity are summarized in a list. We establish the degree of priority and the appropriate countermeasures based on the size of the risk, and then speedily implement essential safety countermeasures (hard countermeasures, such as improving facilities), and soft countermeasures, such as training and guidance.

Additionally, by revitalizing risk assessment activities in the workplace, we are promoting the creation of workplaces in which all of our employees can work safely and comfortably.

Deployment of health and safety management section assistant managers

We have deployed a dedicated health and safety management section assistant manager to each of the production sections in order to provide specialized management of health and safety management. They have responsibility for the safety/fires/traffic accidents/health management of their section, and they have the duties of listening to feedback from their colleagues working in the workplace and making improvements.

As experts, they are aiming to construct a strong health and safety network both inside and outside the company in order to build a team whose members absorb the good things from each other. They are also taking on the challenge of creating a culture where the employees "take action immediately," "praise what is good," and "say no to what is bad" by speaking to each other about diverse ideas which are oriented toward the outside world.



Initiatives to prevent the recurrence of accidents

Comprehensive inspection activities for the horizontal rollout of accidents which occurred in the past

There are activities in which, in order to prevent accidents from recurring, the Safety & Health Administration cooperates with the health and safety management section assistant managers of each section to check and follow up on the status of the countermeasures that have been horizontally rolled out throughout the company, regarding whether they have penetrated the work sites and whether the countermeasures are being implemented on an ongoing basis. The main purpose of the activities is to prevent accidents from recurring, but a comprehensive inspection is also carried out, including OJT (danger awareness) for newly assigned colleagues.

Creating a safety culture which is not forgotten

In addition to the above, the Safety & Health Administration distributes past accident cases with the title of Accident Memorial. In order to ensure that lessons learned from accidents which occurred in the past are not forgotten and to ensure the same accidents do not occur repeatedly, each month we distribute to all of our employees the industrial accidents which have occurred at the company over the past ten years as accident examples which occurred in that month. We create time for all of our employees to think about accidents, such as by raising awareness at morning meetings in each division as part of our daily safety activities.

Safety activity management metrics

Accident occurrence status

Year	Category	Results
2024	Fatal accidents	0
	Accidents requiring time off work	0
2023	Fatal accidents	0
	Accidents requiring time off work	1
2022	Fatal accidents	0
	Accidents requiring time off work	0

Injury in the course of employment (accidents requiring time off work frequency rate*3)

Year	Category	Results	All industries*5	JAMA*6
2024	Accidents requiring time off work frequency rate	0.000	2.10	—
	Severity rate*4	0.000	0.09	—
2023	Accidents requiring time off work frequency rate	0.093	2.14	—
	Severity rate*4	0.005	0.09	—
2022	Accidents requiring time off work frequency rate	0.000	2.06	0.07
	Severity rate*4	0.000	0.09	0.002

*3 Accidents requiring time off work frequency rate: Number of casualties due to work accidents per 1 million actual working hours [(number of casualties / number of actual working hours) x 1,000,000]

*4 Severity rate: this is the total number of workdays lost per 1,000 actual working hours, and expresses the extent of the seriousness of the accident

*5 Source: Ministry of Health, Labour and Welfare statistical tables

*6 Source: Japan Automobile Manufacturers Association (JAMA) (14 companies) Scope: JATCO Ltd

Occupational Safety and Health

Initiatives for health management

Declaration on Health Management

The JATCO Group considers the physical and mental health of employees to be an invaluable asset of the company. We have established the JATCO Group's Declaration on Health Management, intending to be a company where employees can work enthusiastically and comfortably.

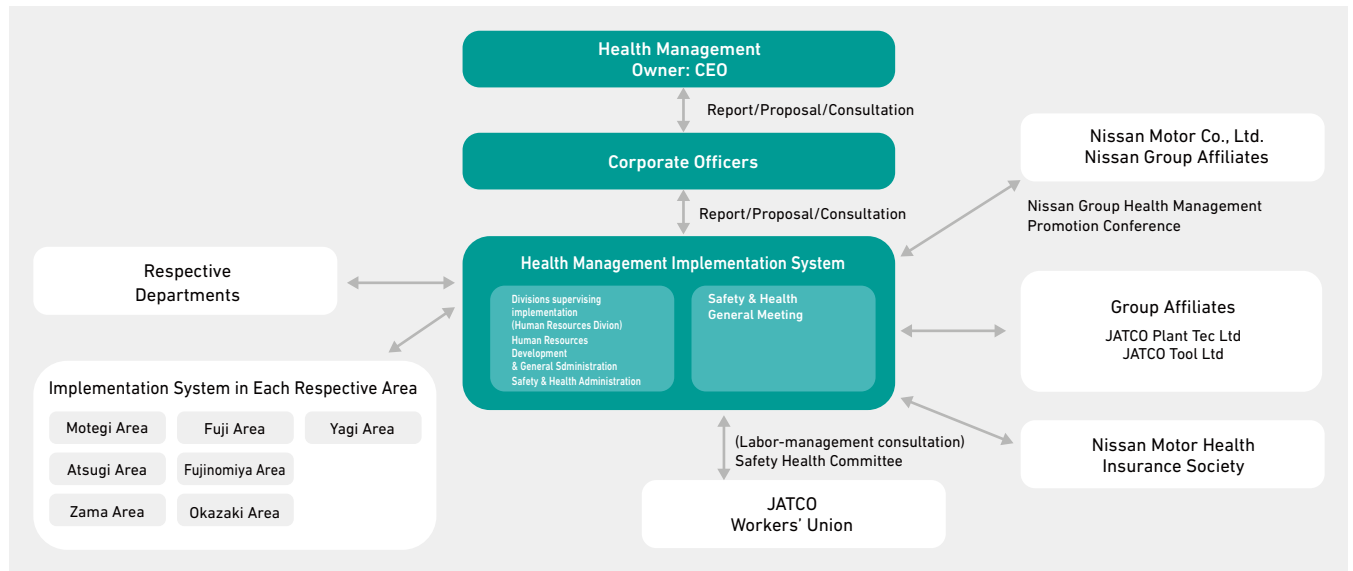
The JATCO Group's "Declaration on Health Management"

Developing advanced products that reflect the needs of our customers by enabling each and every employee to demonstrate their leadership. Improving manufacturing technology to achieve a level of quality exceeding that of our global competitors. Contributing to the revitalization of communities by running our business fairly and valuing our connections with local communities. These are the driving forces that give energy to every JATCO Group employee. Such energy is founded on our employees' physical and mental health.

The JATCO Group considers the well-being of its employees to be invaluable assets, so we aim to promote the well-being of both our employees and our company by working to improve quality of life (QoL) so that employees can feel fulfilled, both in and out of the workplace. We believe that ensuring the health of every employee and their family is not only the cornerstone of the JATCO Group's continued growth, but also an answer to societal demands for extending healthy life expectancy. Acknowledging health care as a significant management task, the JATCO Group declares it will continue working to promote the health of each and every employee and become a company with a healthy and supporting work environment.

Tomoyoshi Sato
President and CEO of JATCO Ltd

Health management implementation system



External evaluations

JATCO has been a Certified Health & Productivity Management Organization (White 500) for seven consecutive years since 2019. For two consecutive years, from 2024 to 2025, we received a top-tier evaluation, ranking in the top 1 to 50 in the Survey on Health and Productivity Management.



We have been certified as a "Sports Yell Company 2025" by the Japan Sports Agency. This is our fourth certification, having been certified for the first time in February 2021.



Occupational Safety and Health

Lifestyle improvement

Health-building events and health education

We continually implement health promotion activities in order to help employees establish better lifestyles with respect to the health risks they face. We hold fun, hands-on, participatory events at each location with the aim of enhancing health awareness.

In-house gym

We have installed a training gym inside our location to create an environment where even people who have not previously had the habit of exercising can exercise easily.



In-house gym



Health event for officers

Health-building events: 2,088 participants

Food education events

- Provision of a healthy menu

Walking events

- Establishment of routes for employees to visit local attractions and shops with their families

Physical fitness measurement

- Maintenance and enhancement of physical fitness for aging

Health education: 1,583 participants

Education on health issues specific to women / Education on sleep

- Implementation of education to enhance knowledge of health issues

Education by age group

- Lifelong health improvement activities adapted to changes in life stages and workplace environments

In-house gym: 384 participants

We have installed a gym in-house where all of our employees (including the related contractors) can exercise at their leisure

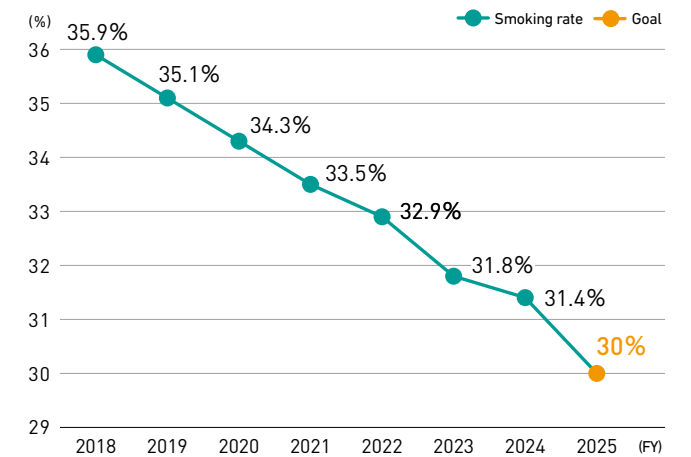
Measures to Reduce Smoking

Our company, including the group companies, started taking measures against smoking from 2003, with full-scale segregated smoking activities starting from 2007, the establishment of non-smoking hours from 2013, and a smoking ban on our premises (inside our site) since 2017. We are also implementing "move beyond smoking (quit smoking)" activities for smokers, such as interviewing former smokers, distributing smoking cessation gum, and opening an in-house smoking cessation clinic.

As a result, the smoking rate among our employees is gradually decreasing.

Our goal is to reduce it to 30% by 2025.

Trend in the smoking rate



Occupational Safety and Health

Initiatives for mental health measures

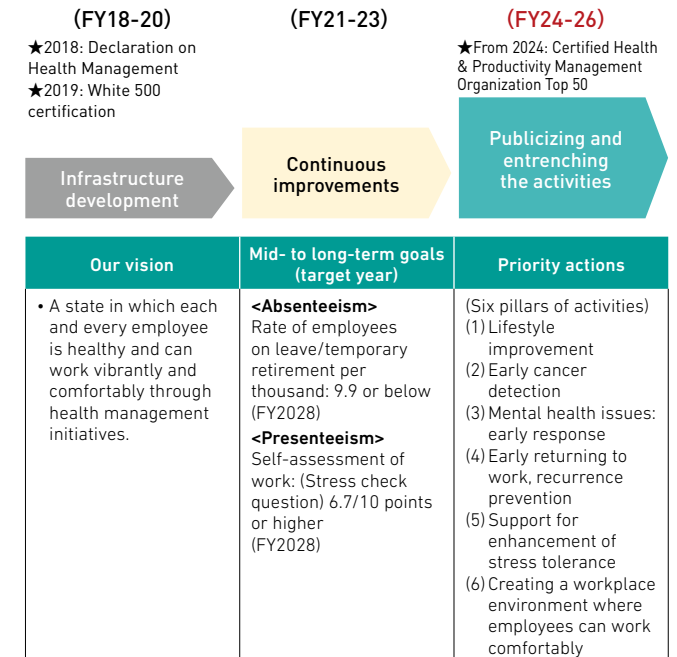
JATCO has developed mental health support measures for employees, managers and supervisors, occupational health staff, and the Human Resources Division, and is tackling the acquisition of and penetration of understanding of basic knowledge about mental health, knowledge about stress management (self-care), and knowledge about how

to deal with subordinates (line care). Since FY2018, as one of its health management activities, the company has been implementing initiatives with a greater awareness of PDCA and approaches to the sense of psychological burden that comes with changes to and diversification of work styles, such as working from home.

	Industrial physicians Occupational health staff	Self-care (by the affected people themselves)	Line care (Managers, supervisors)	Safety & Health Administration Human Resources Development & General Administration	External EAP
Prevention management (Primordial prevention)	Mandatory [stress check] system				
	Mandatory [stress check] Follow-up of employees with high stress				
	Workplace environment improvement activities				
	<ul style="list-style-type: none"> Health education planning Encouragement of attendance Health consultations 	<ul style="list-style-type: none"> Stratified mental health education Health education by age group (Trial) counseling 	<ul style="list-style-type: none"> Mental health education planning Encouragement of attendance Planning PR activities 	<ul style="list-style-type: none"> Educational instructor Offering of counseling 	
Symptom management (Primary prevention)	Offering of consultations (health consultations, mental health consultations, etc.)				Offering of counseling and workplace return support
	<ul style="list-style-type: none"> Introduction of medical institutions 	<ul style="list-style-type: none"> Use of consultation counters 	<ul style="list-style-type: none"> Collaboration with medical care personnel 	<ul style="list-style-type: none"> Long overtime hours management 	
Onset management (Secondary prevention)	Management of employees taking leave and employees on temporary retirement, initiatives for returning to work and returning to work support				
	<ul style="list-style-type: none"> Confirmation of the status of employees taking leave or on temporary retirement 	<ul style="list-style-type: none"> Initiatives for returning to work 	<ul style="list-style-type: none"> Confirmation of the status of employees taking leave or on temporary retirement 	<ul style="list-style-type: none"> Management of employees taking leave or on temporary retirement 	
Recurrence management (Tertiary prevention)	Management of employees taking leave and employees on temporary retirement, initiatives for returning to work and returning to work support				
	<ul style="list-style-type: none"> Recommendation of return to work Collaboration with medical institutions 	<ul style="list-style-type: none"> Initiatives for recurrence 	<ul style="list-style-type: none"> Consideration of duties after return 	<ul style="list-style-type: none"> Consideration of duties after return Core mental team activities 	

Medium-Term Health Management Plan

We formulated a medium-term plan in order to achieve the vision aimed for by the Declaration on Health Management, and we are implementing activities based on the six pillars of JATCO health management.



Health management activity management metrics

		FY22	FY23	FY24
Absenteeism	Number of employees taking leave for physical reasons per thousand	2.6	2.6	1.8
	Number of employees taking leave for mental reasons per thousand	7.4	6.9	8.8
Presenteeism	At the same times as the stress checks, employee surveys are regularly conducted using the WHO-HPQ absolute presenteeism scale (0 to 100 points (%)). The actual value is computed by calculating the loss percentage and averaging it across all of our employees, with higher values indicating greater losses. The actual value is the average for all of our employees (%).	37	36	36
Work engagement	At the same times as the stress checks, we regularly conduct Venta Original employee surveys, which are highly correlated with the Utrecht Work Engagement Scale. The actual value is computed by taking the average of the deviation values across all of our employees, with higher values being better. The actual value is the average for all of our employees (%).	47.8	48.2	48.7



Business Foundation

Conscientious management and strengthening of business foundations

Quality that Brings Trust

Human Rights

Sustainable and Responsible Sourcing

Stakeholder Engagement

Governance, Regulatory Compliance, and Other Compliance

Disaster Countermeasures (Physical Hazards)

Information Security





Quality that Brings Trust

Policy and approach relating to quality

In its corporate philosophy, JATCO positions itself as “a company trusted by society,” with a mission to provide new value to mobility through products and services. We position quality as a company-wide important issue, formulate a quality policy based on our quality management system, and promote initiatives toward its realization. From product and development to production, logistics, sales, and after-sales service, we continue to provide superior quality in all situations involving our customers, pursuing customer satisfaction and aiming to be a trusted company.

Management relating to quality

JATCO has built systems to promote quality enhancement globally. The responsible persons and processes for quality enhancement activities are clearly defined based on a quality management system that is compliant with IATF 16949 and applied globally. As of September 2025, all 11 production bases have acquired IATF 16949 certification. We also implement quality management system training according to each level, targeting new employees and newly appointed managers.

Management system relating to quality

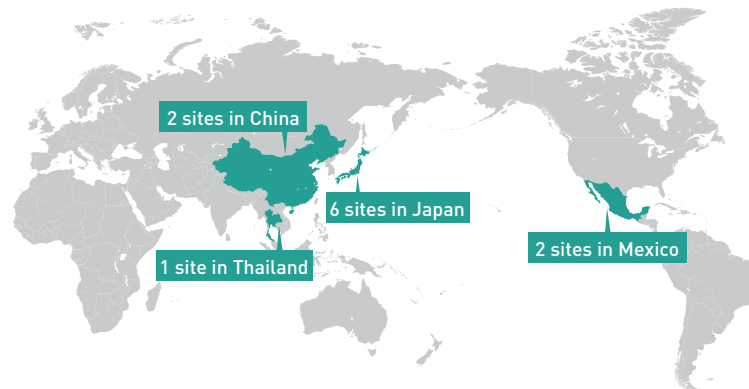
In order to pursue customer satisfaction and aim to be a trusted company, JATCO holds a meeting of the Quality Committee every month. The committee is chaired by the corporate officer in charge of the Corporate Quality Assurance Division. The committee promotes the quick solution of issues with product quality and service quality, and also promotes quality improvement activities with the officers of the respective departments. Furthermore, in order to realize the thorough implementation of compliance, we have built a monitoring and auditing system with a three-tiered structure and are making efforts to strengthen our auditing activities.

Quality Policy

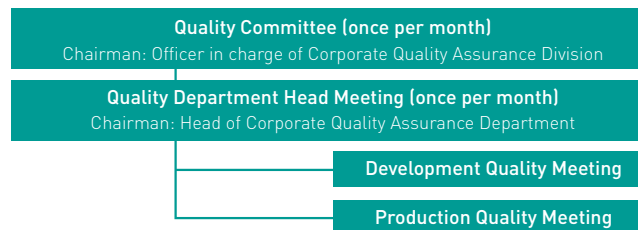
Providing satisfaction and value to society and customers with trusted quality

- **Trust from society** Embedding compliance with laws and high ethical standards and transparency in corporate culture
- **Customer satisfaction** Prioritizing customer satisfaction to provide new value through products and services
- **Quality of products and services** Enhancing the quality of our work with technology and passion to provide superior quality products and services
- **Continuous improvements** Improving the effectiveness of quality management systems through collaboration and co-creation among people in the organization
- **Human talents creating quality** Cultivating a challenging attitude and the ability to see things through

IATF16949 Certification status



Management Promotion System



Monitoring and audit system



Quality that Brings Trust

Quality enhancement initiatives

Reflection of the opinions of our customers in quality enhancement activities

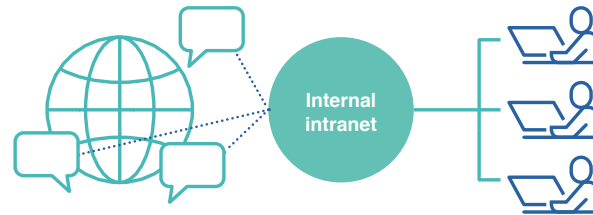
In order to provide the value expected by our customers and respond quickly to the dissatisfaction, etc., felt by customers, we listen to all of the opinions from our customers and reflect them in all of our quality improvement activities, from development to servicing.

Quick responses to the opinions of our customers and timely information sharing

JATCO responds to inquiries and consultations from our customers through the automobile manufacturers. Furthermore, we share the opinions of our customers in the market by posting them on the in-house intranet so that they can be viewed by our employees at any time.

Reflection of the opinions of our customers in our products and services

We have put in place mechanisms to reliably share the opinions of our customers in the market with all of our divisions including planning, development, production, sales, etc., and reflect the opinions in our products and services. The expected value that our customers require from our products differs depending on the customers' region, age, tastes, etc., and sometimes is also affected by market characteristics such as the degree of adoption of the product and the climate. JATCO uses global design as its basic specifications while also responding in accordance to the needs of the regions. The Chief Quality Engineer (CQE) leads these activities. The CQE is responsible for reflecting the customer perspective in our products and services from the planning stage.



Sharing customer voices from the market

Initiatives to foster a customer perspective

To realize superior quality, it is important for each and every employee to work from the perspective of our customers. JATCO is fostering good mindsets through company-wide training and daily sharing of feedback. We have been holding the JATCO Quality Forum since 2006, which introduces quality initiatives and improvement activities based on the opinions of our customers in the market through display and hands-on events to deepen understanding. In fiscal year 2024, approximately 4,000 people participated in these events, contributing to the enhancement of quality awareness.



The JATCO Quality Forum held since 2006

Enhancement of the quality of products and services

In order to enable our customers to use our products comfortably and with peace of mind for a long time, we are enhancing quality to satisfy as many of our customers as possible, by reliably ascertaining the dissatisfactions of our customers and implementing countermeasure activities in all of our processes to eliminate them.

Market quality improvement activities

Enhancement of initial quality



- In order to deliver superior quality products to our customers:
- We ensure consistent quality throughout all processes, including planning, development, and production.
 - We thoroughly prevent defects by visualizing risks.

Enhancement of durable quality



- In order for our customers to ride in comfort for a long time:
- We recover used components for quality confirmation and utilization in the early detection of defects.
 - We promote the development of technologies to suppress deterioration by utilizing a variety of data.

Enhancement of service quality



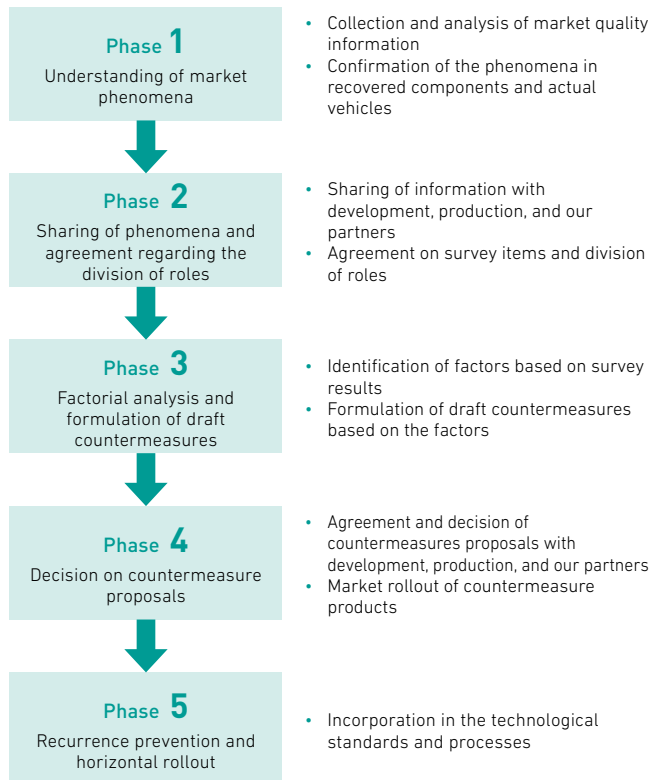
- In order to improve the quality of our response to our customers:
- We alleviate the burden by keeping replacement components to a minimum.
 - We optimize inspection and repair methods.

Quality that Brings Trust

Initiatives for quick quality improvement in the market

JATCO has taken permanent countermeasures such as ascertaining the state of complaints and defects, through the automobile manufacturers, of sales companies and of customers who have entered the Customer Service Office, etc., sharing the information with the Development Department and the Production Department, and investigating the cause and considering countermeasures, etc., in order to encourage prevention of the spread of the defects.

The concept of market quality survey and analysis activities in five phases



Furthermore, as a consequence of the corporate activities of JATCO expanding globally, there is a possibility that the complaints and defects could occur in regions around the world. In order to quickly analyze those kinds of defects and analyze the factors behind them locally, JATCO has established survey bases in seven locations: Japan, the United States, Europe, China, South Korea, Mexico, and Thailand. At these survey bases, we are implementing market quality survey and analysis activities divided into five phases.

Regarding fair and quick responses to serious defects

We understand that it is our responsibility to make our best effort to ensure that defects do not occur in the products, and at the same time it is also our responsibility to prepare for emergencies in the building of powertrains, which are a complex industrial product. JATCO's basic position is to mount a transparent, fair, and quick response. Specifically, we give top priority to ensuring the safety of our customers, minimizing inconvenience to them, and complying with laws and regulations, which leads to quick repairs.

Initiatives with partners

JATCO works together with our partners to tackle quality enhancement in all of the production bases from the component design stage, including the risk response concerning the quality and supply of the components.

Management of risk evaluation and reduction promoted with our partners

We are strengthening global quality management, confirming the quality management status of the production processes in each of the bases of our partners on-site and with the actual products, and supporting the improvement activities of our partners so that they can satisfy the JATCO's required levels. Furthermore, we are working on a variety of quality enhancement measures such as carrying out joint improvement activities which involve not only our partners who deliver components to JATCO but also the secondary partners who produce the constituent components of those components.

Auditing and training for quality enhancement of delivered components

In order to ensure the quality of delivered components, JATCO works together with our partners to implement audits.

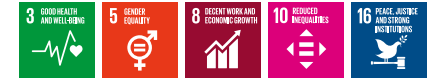
A variety of processes are necessary before one component is delivered from a partner to JATCO, from the confirmations of the planning stage to production of design drawings, construction of prototypes, checks of performance, ensuring the system of mass production, among others. JATCO has stipulated the quality assurance activities necessary in this series of steps as the quality management standards for its business partners, and has put in place mechanisms to ensure that accurate components are delivered by executing these activities for all of the components, one by one.

JATCO is supporting partners who are compliant with the Partner Health Check, which is JATCO's own partner quality evaluation standard. We confirm the worksites of our partners, including confirmation of whether or not there are clear identification methods for good products and defective products, and mechanisms for trouble prevention, etc.

Furthermore, we use a quality management system in collaboration with our partners to confirm that materials certification has been acquired for all of the components with regards to not only the manufacturing processes but also the materials of the components. We have built a system which ensures that accurate components are delivered by implementing training about the quality management standards for business partners in all of our partners and rolling out and executing the standards inside our partners.

Furthermore, we are implementing diagnoses of delivery quality and market quality, etc., using the partner scorecard, and we are also implementing partner plant audits to confirm management systems. Through these diagnoses and audits, we are regularly confirming the mechanisms for the stable supply of good quality components and the implementation status of continuous quality improvement activities.

Human Rights



Our approach regarding human rights

In order to realize our corporate purpose to “drive the possibilities of mobility with technology and passion,” JATCO recognizes that it is essential to respect the human rights of all of our stakeholders and comply with the applicable laws and regulations and standards, and for our employees to act based on the highest ethical standards stipulated in our in-house rules. We value and respect the diversity of our suppliers, customers, communities, and employees. Discrimination or harassment, in any form or degree, will not be tolerated. Officers and employees shall respect each other’s human rights, and shall not tolerate the carrying out or state of discrimination or harassment based on race, nationality, sex, religion, disability, age, place of origin, gender identity, sexual orientation, or any other reason. We respect the human rights stated in the Universal Declaration of Human Rights (UDHR), the International Covenant on Civil and Political Rights (ICCPR), the International Covenant on Economic, Social and Cultural Rights (ICESCR), and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work (an ILO core labor standard). We have positioned the United Nations Guiding Principles on Business and Human Rights (UNGPs) as international standards to which we should refer and we are taking initiatives to manage the risks that could possibly arise in our business activities and actively prevent all impacts on human rights.

We have released both the Basic Policy concerning Respect for Human Rights to make this approach concerning respect for human rights clearer and more robust, including in the supply chain, and the Global Human Rights Guidelines for explaining our commitment to human rights and ensuring that human rights are reliably respected in our business activities so that JATCO employees in each country and region can work with greater peace of mind. In these guidelines, we established seven themes in light of the business activities of JATCO, further strengthening our initiatives to respect the human rights of our employees across the entire business.

Initiatives for human rights

In order to not only enable the proper management of employee labor and human rights, but also to maintain and enhance quality of life (QoL) at a high level, we are promoting the creation of comfortable workplaces in each country and region.

Regarding annual paid leave, in Japan we not only comply with the law (taking a minimum of five days per year), but we also take measures such as establishing “encouraged days for taking leave” before and after long vacations in each division so that each employee can take 15 days of annual paid leave per year.

Furthermore, we regularly hold Employee Satisfaction (ES) Enhancement Committee meetings, introducing a mechanism to directly accept improvement requests from employees and working to create comfortable environments.

JATCO also considers dialogue with our employees to be an important opportunity to respect human rights. In addition to regular discussions between labor and management with employee representatives, we hold the Global Employee Meeting once a quarter, where we provide opportunities not only for the management team to convey messages but also to answer questions from employees. We value communication between employees and the management team globally, such as establishing direct communication time between local presidents and employees in each country and region.

We take a stance of not committing, allowing, or tolerating sexual harassment, power harassment, or any other type of harassment in the workplace and based on this stance we strive to prevent all employees, regardless of gender (male, female, or other), from meeting with harm. Our measures in this area include implementing Code of Conduct education incorporating content related to Human Rights Policy and Guidelines through e-learning for all global bases, and striving to raise the awareness of and enlighten our employees. Furthermore, in 2024, we revised the harassment training, which had previously been conducted only for managers in Japan, into

content based on Human Rights Guidelines and implemented it at all global bases.

Concerning violations which could have negative impacts on respect for human rights, we are taking corrective actions through the introduction of an internal reporting system.

Human rights management

As a company in the Nissan Group, we implement a human rights due diligence process and carry out risk management in order to prevent negative impacts on human rights in advance. In 2024, we conducted a human rights due diligence audit by a specialist consultant in Japan, and we have been evaluated as having fostered a very favorable corporate culture. Regarding human rights governance, issues and risks concerning human rights are discussed in our Management Council as necessary. We recognize the importance of implementing initiatives concerning human rights over a scope that exceeds the activities of our own company, so we have set the goal of realizing ethically, socially and environmentally friendly business activities in all of the stages of the global supply chain. In order to achieve this goal, we cooperate with all of our business partners, including suppliers and contracted operators, to conduct our business in a manner that takes into consideration human rights.

Sustainable and Responsible Sourcing



Message

With “environmentally and socially responsible sourcing” as our basic policy, we aim to realize a sustainable supply chain toward becoming a 100-year company together with our partners. We have guidelines that lead to sustainable activities, such as the JATCO Purchasing Way and CSR Guidelines. In terms of the environment, we are promoting carbon neutrality initiatives to reduce the use of environmentally hazardous substances and reduce greenhouse gas emissions, not only within our company but also in collaboration with our partners. We have also established strict standards regarding working environments and respect for human rights, and request that our partners fulfill their social responsibilities as well. By promoting ethical sourcing, we aim to enhance the reliability of the entire supply chain and contribute to society as a whole.



Head of Purchasing
Division
Corporate Vice President
Masaru Omori

JATCO's basic approach with respect to the supply chain

JATCO is aiming to take into consideration our constantly changing society and environment and fulfill our responsibilities as a company while respecting laws and human rights, and communicating with a variety of stakeholders.

Furthermore, based on our corporate purpose to “drive the possibilities of mobility with technology and passion,” we are challenging ourselves to start new businesses, and we will continue to expand the fields of our corporate activities going forward.

In this process, having our business partners share our vision and policies is essential for fulfilling our own company responsibilities. JATCO believes that we can achieve our goals that are beneficial to both parties by building long-term relationships of trust with our business partners.

Measures to deepen mutual trust with our business partners

Signing of the Declaration of Partnership Building

In 2022, JATCO endorsed the purpose of the Declaration of Partnership Building and signed this declaration.

Based on this declaration, JATCO is working to achieve shared growth and prosperity throughout the entire supply chain, while also promoting new collaboration that transcends scale and affiliations.



Furthermore, we are actively working to correct trading practices and commercial practices, and place importance on promoting proper transactions.

We are complying with promotion standards in accordance with this declaration, striving for the appropriateness of transactions, addressing various challenges, and aiming for sustainable development together with our business partners.

Establishment of the JATCO Purchasing Way and the CSR Guidelines

At JATCO, we believe that it is important for not only our Tier 1 business partners, but also our Tier 2 or higher business partners to understand our vision, policies, and responsibilities.

For that reason, we have established the JATCO Purchasing Way based on the basic principles of “trust,” “respect for the other party,” and “transparency” to clarify the values that we should have as a company. At the same time, we have established the CSR Guidelines to explicitly state the social responsibilities required for continuous development in the supply chain overall.

Sustainable and Responsible Sourcing

JATCO Purchasing Way

With the JATCO Purchasing Way, we make the values that are important to us when conducting transactions explicitly clear to our business partners.

Based on these values, we not only share our social responsibility but also promise to share the challenges faced by our business partners and utilize our in-house know-how and human resources to support them.

CSR Guidelines

In the CSR Guidelines, we explain the elements for fulfilling our corporate social responsibilities and achieving mutual sustainable development from the perspectives of “compliance,” “safety and quality,” “human rights and labor,” “environment,” and “information disclosure.” We ask our business partners to address a variety of issues.

Furthermore, we also ask our business partners to build management systems for substances of concern and conflict minerals from the perspectives of human rights and the environment.

Establishment of the Green Procurement Guideline

Based on our environmental policy of “contributing to a sustainable global environment through all of our business activities,” JATCO is promoting environmentally-friendly initiatives throughout the lifecycle of products.

For that reason, we have established the policies and standards pertaining to the environment, which should be shared with our business partners as the Green Procurement Guidelines, and we clearly state initiatives with respect to the environment and the management of environmentally hazardous substances.

In particular regarding environmentally hazardous substances, we ask our business partners to input data into the International

Material Data System (IMDS) from the perspective of supply management. We confirm the management of the environmentally hazardous substances used in the products and their compliance with the full range of regulations based on this IMDS data.

Business continuity activities with our business partners

Strengthening of BCP cooperation systems and support activities at times of disaster

In recent years, natural disasters and problems with wide-ranging and prolonged impacts have occurred frequently, including business closures and suspensions of operations due to infectious disease pandemics, so the supply chain must be further strengthened.

JATCO has built a supply chain that can respond when natural disasters occur by formulating Business Continuity Plans (BCPs) that are integrated with our business partners. At the same time, from the perspective of Business Continuity Management (BCM), JATCO of course provides humanitarian aid and support for the restoration of production activities when there is an emergency, but we also endeavor to stabilize the supply chain at normal times by providing support for our business partners through a variety of initiatives.

For example, we regularly visit the production sites of our business partners to advance the visualization of the risks of disasters using our original assessment form. Based on the results of this assessment, we discuss countermeasures and priorities tailored to each company’s circumstances, and cooperate to reduce risks.

Collaboration in cybersecurity

In the modern world, cyber attacks targeting computer systems and networks have emerged as a major threat.

Just like in a natural disaster, if the supply chain is damaged, each company’s core systems will be shut down, having a major impact on business activities.

JATCO is reviewing the status of cybersecurity efforts together with its business partners to confirm preventive measures and the impact on business activities in the event of damage.

Furthermore, we are implementing simulations with some of our business partners based on the premise that there has been a cyber attack. We share the issues and countermeasures revealed by these simulations with our business partners to further strengthen collaboration.

Sustainable and Responsible Sourcing

Initiatives toward a sustainable global environment

At JATCO, we are promoting activities aimed at reducing the impact of climate change and maintaining and improving the social environment.

Establishing environmental management systems

To reduce the burden on the environment and contribute to a sustainable society, it is necessary not only to comply with various laws and regulations but also to actively promote environmental conservation initiatives. Therefore, we are working to ensure that not only our company but also our business partners actively incorporate environmental management and address these challenges.

Carbon neutrality initiatives

Starting from 2013, JATCO aims to reduce CO₂ emissions by 46% by 2030 and to zero by 2050.

The scope of these initiatives includes not only activities at our own locations but also aims to realize carbon neutrality, including in the supply chain.

We will accelerate activities for carbon neutrality going forward and we will also work together with our business partners to advance environmental improvement, reduce CO₂ emissions and contribute to the realization of a sustainable society.

Initiatives for the circular economy

JATCO is working to achieve a circular economy by reducing waste through the design of products with outstanding durability (Reduce), sorting and recycling components of products collected from the market (Reuse), and actively employing components made of recyclable materials such as aluminum (Recycle).

Furthermore, regarding new products in new businesses, we are

considering employing not only recycled materials but also green aluminum materials, and we are actively promoting the use of renewable energy.

Enhancement of the management of environmentally hazardous substances

JATCO complies with the laws of each country and region concerning environmentally hazardous substances and responds promptly to changes in such laws. In particular, concerning chemical substances, the number of substances subject to management is increasing in each country, and restrictions on their use are rapidly progressing. To achieve this, it is necessary not only to develop products that do not use chemical substances prohibited by laws as raw materials, but also to avoid using such chemical substances in the manufacturing process.

With the cooperation of our business partners, JATCO has built a management system for substances that have an impact on the environment and is collecting and managing information about the use of these substances.

Enhancement of the management of conflict minerals

Specific mineral resources mined in conflict zones are widely known as a source of funding for armed groups and a factor that cause prolonged conflicts and human rights violations. The conflict minerals issue is not limited to human rights; illegal mining activities cause environmental destruction such as deforestation, soil contamination, and water pollution, resulting in serious impacts on ecosystems.

JATCO is working to improve transparency in the supply chain and eliminate conflict minerals by consolidating information not only on environmentally hazardous substances but also on the production processes of constituent materials contained in our products.

Improvement of communication with business partners

Corporate activities aimed at realizing a sustainable society also affect the business activities of our business partners who cooperate with us. Therefore, maintaining and improving fair and equal relationships with our business partners is an important element for maintaining the supply chain.

JATCO implements various initiatives to maintain fair and equal relationships between both parties. We hold "Policy Briefing Sessions" and "Monozukuri Seminars" to communicate our direction and challenges to business partners.



Furthermore, we recognize business partners who actively promote sustainable activities and contribute to our activities, both globally and in each region, every year.



Stakeholder Engagement



Understanding concerns through dialogue with stakeholders

JATCO's corporate activities are founded upon relationships of trust between the company and all of its various stakeholders. JATCO believes that in order to combine the sustainable growth of our company with the development of a better society, it is important to actively hold dialogues on the concerns of our stakeholders, listen to the opinions of our stakeholders, and reflect them in our corporate activities. Establishing opportunities for dialogues with our stakeholders will lead to the discovery of risks and opportunities. JATCO has established opportunities for a variety of dialogues and is reliably giving feedback on the results of the dialogues within the company in order to reflect more of the opinions of our stakeholders in our corporate activities.

Working toward building relationships of trust

Responding quickly to the changing needs of customers and offering products and services which give top priority to safety and peace of mind, we pursue true customer satisfaction through this provision.

Through fair trade with our business partners based on mutual trust, we are promoting initiatives to achieve mutual growth.

We also aim to implement respect for diversity and career development and to create a motivated workplace where each and every employee can experience growth.

Moreover, we will continue to work on the solution of social issues together with local communities and communication activities deeply rooted in local communities in order to be a good corporate citizen in all the regions in which JATCO conducts business.

Stakeholders	Opportunities for dialogue	Main themes	Main initiatives
Customers	<ul style="list-style-type: none"> • Communication in daily business activities • The corporate website • Social media • Information provision through the mass media, etc. • The establishment of inquiry windows, etc. 	<ul style="list-style-type: none"> • The quality of the products and services • Support for customers 	<ul style="list-style-type: none"> • Technology briefings, test-ride events • Responses to customer requirements • Analysis and improvement of the evaluation of JATCO by customers
Employees	<ul style="list-style-type: none"> • The regular exchange events with employees • Career development interviews • A full range of employee awareness surveys • Labor-management councils • The internal reporting system • The intranet 	<ul style="list-style-type: none"> • The business performance and issues of our company • In-house diversity • Diverse work styles • The workplace environment and occupational safety and health • Careers, education 	<ul style="list-style-type: none"> • Sharing of management information with all of our employees by the officers (Global Employees Meeting) • Meetings to exchange opinions with officers by business theme • Career development interviews • Workplace environment improvement activities based on employee awareness surveys • Internal reporting system (Easy Voice, SpeakUp) • Social events with employee family participation
Business partners	<ul style="list-style-type: none"> • Communication in daily business activities • Policy briefings • The websites of our business partners • A full range of guidelines, etc. 	<ul style="list-style-type: none"> • Fair transactions • Procurement policy • Sustainability policy 	<ul style="list-style-type: none"> • Business partner policy briefings • Business partner awards • Monozukuri seminars
Local communities	<ul style="list-style-type: none"> • Communication with local governments and regional organizations • Social contribution activities by our employees • Events involving local residents, etc. 	<ul style="list-style-type: none"> • Contributions to local communities • Working together with local governments and regional organizations for the solution of social issues 	<ul style="list-style-type: none"> • Volunteer activities by our employees • Social exchange event with local governments and regional companies (P**) • Events at our locations involving local residents (JATCO Festa)
Shareholders	General Meeting of Shareholders	<ul style="list-style-type: none"> • JATCO's business strategies, business performance, company value enhancement 	<ul style="list-style-type: none"> • General Meeting of Shareholders

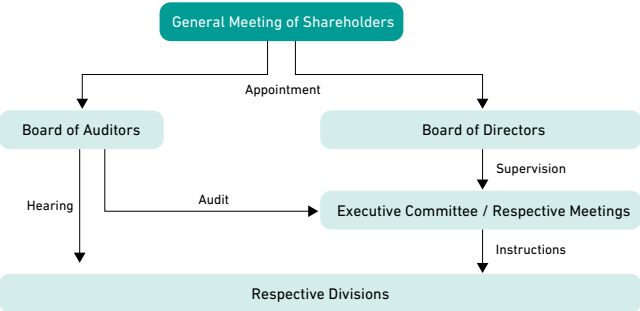


Governance, Regulatory Compliance, and Other Compliance

Commitment to corporate governance

Corporate Governance System

JATCO is a “Company with Board of Company Auditors” as defined in the Companies Act, and is established as a legal entity with a General Meeting of Shareholders, a Board of Directors, and a Board of Auditors. In principle, the Board of Directors convenes once a month to decide on important management matters as well as to preside over the details of the operations being executed. The Board of Directors is composed not only of the directors who execute our operations, but also directors from outside the company in order to create a system that allows for objective supervision of the execution status of our operations. A Corporate Officer system has also been introduced to facilitate efficient and flexible management, and authority has been delegated to Corporate Officers in clearly defined ways in the management of the business.



Strengthening our internal control system

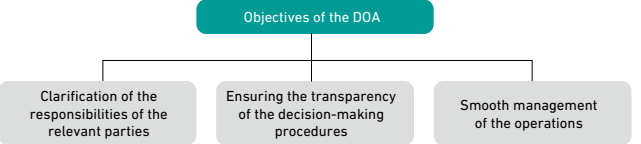
JATCO maintains and strengthens its internal control system based on the Basic Policy on Internal Control System passed by our Board of Directors in order to ensure proper and efficient corporate activities. This policy lays out the following items as its major items and checks are conducted every six months to verify that the internal control system is functioning effectively, and the results are reported to the Board of Directors.

Major items of the Basic Policy on Internal Control System

- Compliance with laws and regulations and the Articles of Incorporation in the execution of work by the directors and employees
- Storage and management of information pertaining to the execution of work by the directors
- Appropriate risk management
- Efficient execution of the work of the directors
- Ensuring that the work in the corporate group (the parent company and the subsidiaries) is performed properly
- Ensuring the effectiveness of the audits by the auditors, etc.

Important operational matters and decisions

The authority standards pertaining to important operational matters and decisions are stipulated in the Delegation of Authority (DOA). The objectives of establishing the DOA are clarification of the responsibilities of the relevant parties, ensuring the transparency of the decision-making procedures, and smooth management of the operations.



Strengthening compliance

Basic stance on compliance

The JATCO Group considers strict compliance with the laws of each country and region to be a minimum requirement for being trusted by society. In addition to strict compliance with laws, we consider it important for all employees of our Group to act fairly and honestly with a strong sense of ethics. JATCO has instituted a Global Code of Conduct, and we put effort into ensuring thorough compliance by providing action guidelines for all employees to abide by.

Standards in the Global Code of Conduct

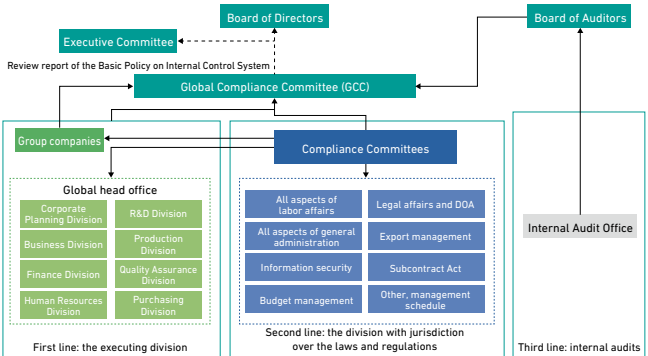
1. Comply with all laws and rules
2. Promote Safety
3. Avoid Conflict of Interest
4. Preserve Company Assets
5. Be Impartial and Fair
6. Be Transparent and Accountable
7. Value Diversity and Provide Equal Opportunity
8. Be Environmentally Responsible
9. Be Active; Report Violations

Governance, Regulatory Compliance, and Other Compliance

Promotion system for compliance

The compliance activities of the JATCO Group are promoted through (i) formulation of the activities policy, (ii) monitoring of the status of the activities, (iii) internal reporting response, and (iv) compliance education and enlightenment, with the Compliance Secretariat organized by the Legal & Intellectual Property Department and the Human Resources Development & General Administration Department as the center. Furthermore, the Compliance Secretariat supports the promotion of each individual activity in collaboration with the compliance promoters appointed to the respective divisions and each subsidiary.

Overview of the compliance system



Governance

JATCO has organized a Global Compliance Committee (GCC) comprised of representative executives from each division and the presidents of Group Companies in Japan and overseas, and meetings of the GCC are held four times a year by the Compliance Secretariat. The GCC puts effort into ensuring the proper implementation of the PDCA cycle, such as by sharing common global matters related to compliance, sharing specific cases of incidents that have actually occurred, and checking the details of the compliance activities of each company.

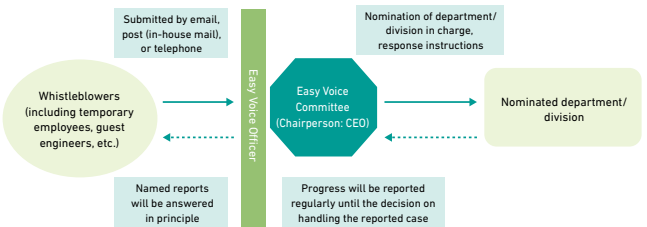
Monitoring

Every year, as a part of a comprehensive compliance inspection, we implement confirmations, etc., with respect to the division with jurisdiction over the laws and regulations, which is the second line, regarding the process for responding when there is a violation of laws or regulations, and implement monitoring of the status of the activities.

Internal reporting response

As an internal reporting system that allows employees and others to report compliance violations and conduct with concerns about potential violations, we have established the Easy Voice System, an in-house reporting channel, and SpeakUp, a window outside the company (Nissan Group), to create an environment where compliance violations and other issues can be detected and corrected at an early stage.

Overview of the Easy Voice System



Compliance education and awareness-raising

Code of Conduct training is provided every year for all employees in the Group.

The attendance rate at Code of Conduct training is reported in the Global Compliance Committee and follow-up is carried out until the implementation rate reaches 100% every year.

As compliance education other than the above, with regard to information security policies, harassment, export and import control, the Anti-Monopoly Act, prevention of the giving or acceptance of a bribe, trade secrets, DOA, the Subcontract Act, and company rules, etc., the division with jurisdiction over the laws and regulations, which is the second line, draws up and implements programs to educate employees.

Governance, Regulatory Compliance, and Other Compliance

Risk management initiatives

Promoting risk management

In order to respond to the diversifying risks accompanying the global expansion of our business, JATCO carries out a risk management audit as part of its internal control system. Specifically, we hold interviews with the relevant parties, including the officers, regarding the 12 items of the risk universe, identify risks each year, determine the items that should be tackled in the Executive Committee meetings, assign personnel to take charge of each item, and formulate and implement measures to mitigate the risks. The progress of initiatives for each item is reported at the Executive Committee meetings, and a control-level assessment for each item is conducted at the end of the fiscal year.

Risk universe 12 items

(i) Product strategies	(vii) Management quality
(ii) Production strategies	(viii) Ethics and wrongful acts
(iii) Sales and marketing strategies	(ix) Human resources
(iv) Business continuity	(x) Finance and market risks
(v) Product and service quality	(xi) Adaptability to external environmental changes
(vi) Information quality	(xii) Legal risks

Annual Plan for Corporate Risk Management	
Risk identification through officer interviews, etc.	January to February
Evaluation through risk assessment and selection of issue candidates	February
CRM* issues definitions and determination of the issue owners (Executive Committee)	March to April
Interim report: agreement of the direction of measures	September to October
Final report: completion of execution of measures	March

*CRM: Corporate Risk Management

Initiatives through the BCM* Committee

There are scenarios that endanger business continuity, such as earthquakes, typhoons, or other natural disasters. JATCO predicts the various risks that may arise, and has established a BCM Committee to implement measures to eliminate risks before they develop and to mitigate risks when incidents do occur. If a situation arises that has continuous impact on production, the relevant parties are notified immediately, and the BCM Committee takes a central role in resolving the problem with the cooperation of the respective divisions across the company. BCM simulation training is carried out every year to help employees learn how to react to a large-scale earthquake, and how to appropriately respond in order to achieve quick recovery.

* BCM: Business Continuity Management. This involves determining the countermeasures to take in situations where the company becomes unable to continue operations due to large-scale disasters, epidemics and the like and conducting the needed training and other activities to execute these countermeasures.

Risk management system for JATCO Group companies

In the JATCO Group, we implement comprehensive risk management for each company's unique risks at Group companies, including our overseas production bases. We disseminate the experience and know-how built up through BCM activities throughout the entire Group, and for risks that are common across the globe, each company works in cooperation to respond.

In order to realize appropriate and efficient management, domestic and overseas Group companies conduct their business in close cooperation with each division in charge at the HQ. To ensure the effectiveness of the governance system, we regularly dispatch auditors and internal audit office staff to continuously verify the effectiveness of each company's internal control system.

As specific initiatives, we have introduced the Easy Check List for Group company presidents to verify the soundness and efficiency of management themselves, utilize support tools that systematize check items from the perspective of maintaining and improving governance, and implement governance education for newly appointed directors including those at Group companies, to improve governance awareness throughout the entire Group. Through these initiatives, we are promoting the securing of management transparency and soundness throughout the entire JATCO Group.

Disaster Countermeasures (Physical Hazards)

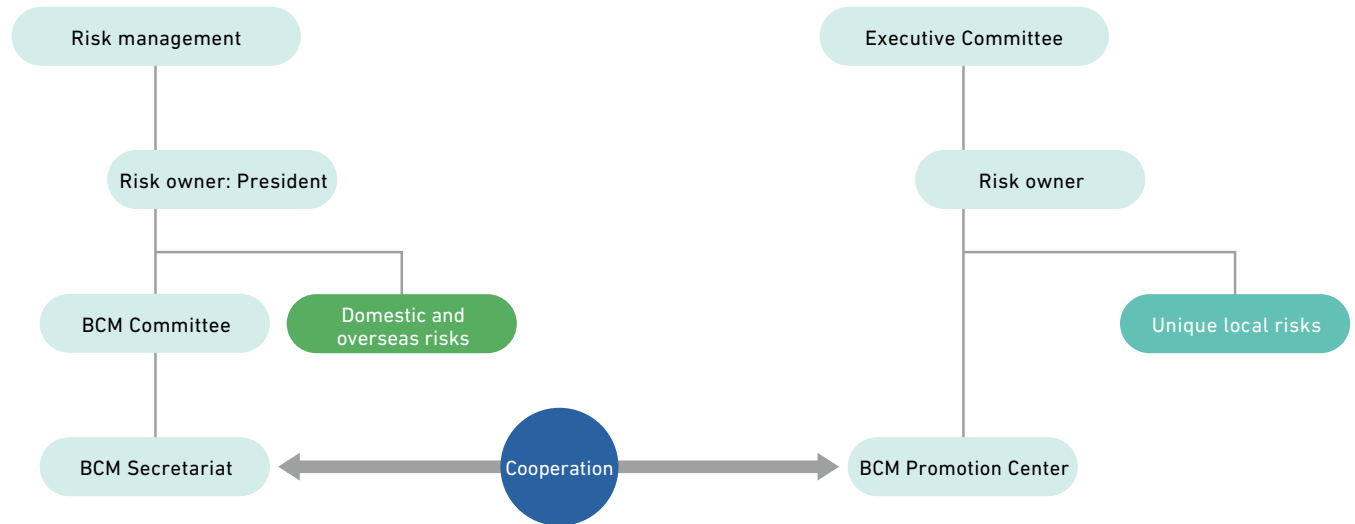


Ensuring business continuity in the event of a large-scale earthquake

As part of JATCO's BCM initiatives, we organize disaster countermeasures activities with regards to a large-scale earthquake (seismic intensity of 6 Upper or greater) that is feared to occur in the near future. These activities are aimed first towards saving lives, preventing secondary disasters, and a prompt and effective recovery to aid in the recovery of our business. Our BCM formulations are being reviewed and strengthened through our experience from such disasters as the Niigata Chuetsu-oki Earthquake in July 2007, the Great East Japan Earthquake in March 2011, and the earthquake in eastern Shizuoka Prefecture in March 2011, which resulted in significant damage to one of our plants. The disasters that we prepare for are not limited to just earthquakes. They cover a wide range that includes novel strains of coronavirus, IT failures, and supply chain stoppages. We also apply the experience that we have gained in developing BCM in Japan to the risks facing our overseas locations, including Mexico, China, and Thailand to extend our BCM practices globally across the entire JATCO Group. In order to promote activities focused on our supply chain in light of our experience during past disasters, we have made efforts to strengthen our overall supply chain by performing diagnoses of the BCM systems of each Group company. JATCO's highly effective BCM is driven by the repeated use of training. We have been conducting BCM simulation training every year since FY2008, through which we confirm our initial disaster response and recovery system for business continuity. This training is based on expected levels of damage and involves the relevant departments and company bases working together to solve problems related to business recovery. These problems include how to respond to automobile manufacturers, business partners, local communities, and the media. Through the repeated use of this training, we aim to provide a speedy response in the event of a disaster. This emphasis on simulation training with a focus on cooperation between bases has already yielded results at our Fujinomiya Plant, when during the earthquake in eastern Shizuoka Prefecture, the plant was able to easily receive assistance from our other bases and make a rapid recovery.

BCM promotion organization

JATCO's BCM promotion organization



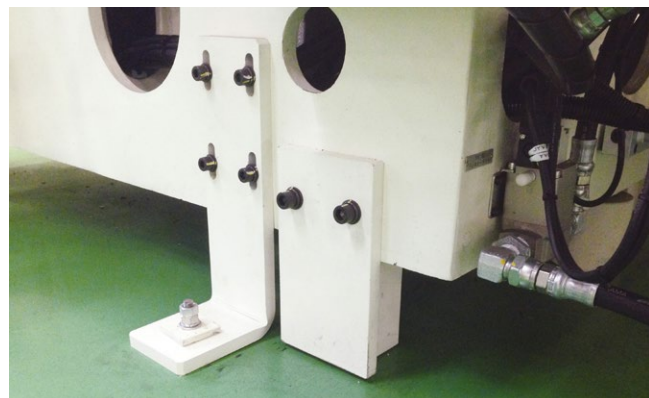
BCM simulation training

Disaster Countermeasures (Physical Hazards)

Ensuring the safety of employees and the local community

Earthquake measures for buildings and facilities in Japan

In order to prevent damage to buildings and facilities and harm to employees in the event of a large-scale earthquake, as well as to achieve early recovery of production plant functions, we have taken a wide range of earthquake countermeasures that include securing production equipment at and strengthening the earthquake resistance of our main production bases in Japan, and taking measures to prevent objects from falling from ceilings or cranes. As a member of the supply chain, we are constantly coming up with countermeasures to minimize our impact on the production activities of our customers.



Newly added support leg on equipment

Earthquake countermeasures at overseas bases

JATCO operates globally and has implemented BCM activities at our overseas bases similar to those at our domestic bases to prepare them for earthquakes or other large-scale disasters.

At JATCO (Thailand) Co., Ltd., which commenced operations in July 2013, we have drawn lessons from the major floods that occurred in 2011, and raised the foundation filling of the building by 50 cm compared to the initial plans, in preparation for tsunami and floods.

Ensuring the safety of employees

In order to ensure the safety of employees in the event of a large-scale earthquake, JATCO has established detailed procedures with regard to evacuation actions and evacuation shelters.

In order to ensure that employees have a good grasp of this information, regular drills are conducted based on a variety of day and night emergency situations that we expect could occur. Given the possibility of having employees at each facility who are unable to return home during an emergency, we have prepared supplies



Building site where the filling was carried out

such as water, food, helmets, blankets, sleeping bags, and portable toilets at each facility.

Securing safety and peace of mind for local residents

JATCO is a company that stands together with local residents. Hence, we cooperate actively to secure safety and peace of mind for local residents. We are working to be included on municipal emergency shelter lists and to establish a system that allows us to provide company facilities as emergency shelters for local residents who have nowhere to evacuate to in the event of a large-scale disaster.



Designated by Fuji City as a designated emergency evacuation site and wide-area evacuation area



Information Security

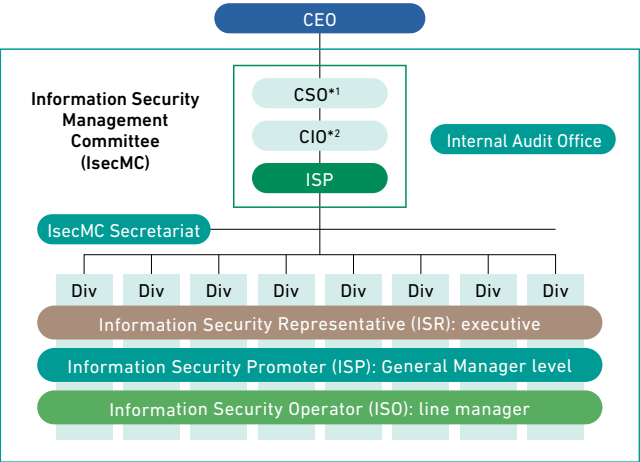
Strengthening information security

Information security promotion system

In order to maintain a high level of information security, JATCO has enacted an Information Security Policy to ensure that all of our employees can tackle their work with an awareness of information security.

The Information Security Policy comprehensively presents the basic policies of JATCO concerning information security, and has been established for the objective of maintaining the confidentiality, completeness, and availability of information, as follows:

1. Confidentiality: only people who have been given access permission can access the information
2. Completeness: maintaining the accuracy of the information and maintaining the accuracy and transparency of processing methods
3. Availability: ensuring that the users with permission can use the information when necessary



*1 CSO: Chief Security Officer *2 CIO: Chief Information Officer

JATCO has established the Information Security Committee and has built a promotion system to ensure that information leakages, releases of erroneous information, and situations in which the information can no longer be used are not caused as a result of these features being damaged. Through the committee, we share problems common to and solutions applicable across the Group companies, and check on the implementation of these solutions in each Group company and division.

Commitment to information management, and promotion of training activities and activities to raise awareness

In recent years, as the importance of the data held by companies and organizations has grown rapidly, threats such as information leakages, hacking, malware attacks, etc. have also increased, so robust information security has become an essential element for the growth of a company.

JATCO is putting effort into further strengthening our information infrastructure.

To prepare for cyber attacks, we are implementing various technical measures to prevent external attacks, while establishing the Cyber Attack Countermeasures Headquarters, putting in place systems and manuals to enable prompt responses, and carrying out training once a year based on the scenario of an actual emergency to prevent information from leaking out in the event of a security breach.

Information security is dependent on there being a proper awareness of information management by those who must handle the information—each and every one of our employees. Hence, we work to reduce the risk of information leakages with respect to new threats through targeted email training, etc. and continuously strive to raise awareness about information security management, including thorough management of information assets using information asset management ledgers, regular provision of information security education to all employees in the JATCO Group, etc.

Information security activities in each division and Group company

In order to ensure the appropriate management of information security, it is vital to have each division and Group company correctly grasp the current state of and risks pertaining to information security, then formulate and implement countermeasures, and review the results, so JATCO takes measures which properly continue the PDCA cycle. For example, every year it implements assessments compliant with an information security management system (ISMS) based on international standard ISO 27001.

Details on the information security activities undertaken by each division and Group company and incident cases which have occurred are shared with the Information Security Committee, which meets three times a year. By encouraging the divisions and Group companies to incorporate each other's best practices, we are striving to further enhance the standardization of information security activities across the entire Group, including the overseas locations, introduction of shared facilities, promotion of education, etc.



Data

Environmental Data for Each Production Base

Social Data



Environmental Data for Each Production Base (FY2024 results)

Fuji Area
[Including the Head Office]
Site: 580,440 m²
Buildings (Total): 389,403 m²



Fujinomiya Area
Site: 67,698 m²
Buildings (Total): 66,756 m²



Yagi Area
Site: 233,323 m²
Buildings (Total): 68,277 m²



Air pollution NOx: Nitrogen oxide, SOx: Sulfur oxide

Equipment	Item	Unit	Regulatory limit (including exceptions)	Measured values	
				Maximum	Average
Compact boiler (22 units)	Dust and soot	g/Nm ³	0.05	0.001	0.00003
	NOx	ppm	100	45	29
	SOx	Nm ³ /h	0.002	0	0
Metal-heating furnace (16 units)	Dust and soot	g/Nm ³	0.05	0.005	0.001
	NOx	ppm	150	27	16
	SOx	Nm ³ /h	0.018	0	0
Steel-heating furnace (4 units)	Dust and soot	g/Nm ³	0.05	0.001	0.0002
	NOx	ppm	150	7	3
	SOx	Nm ³ /h	0.026	0	0
Aluminum-melting furnace (11 units)	Dust and soot	g/Nm ³	0.06	0.0031	0.006
	NOx	ppm	150	42	10.895
	SOx	Nm ³ /h	0.019	0	0.000
Drying kiln (1 units)	Dioxin	ng-TEQ/Nm ³	5	1.6	0.278
	Dust and soot	g/Nm ³	0.05	0.002	0.002
	NOx	ppm	56	15	15.000
Drying combustion furnace (1 unit)	SOx	Nm ³ /h	0.0048	0	0.000
	Dioxin	ng-TEQ/Nm ³	5	0.0000011	0.0000011

Water quality Figures shown in brackets () for the regulatory limit are daily averages

Item	Unit	Regulatory limit (including exceptions)	Measured values	
			Maximum	Average
Hydrogen ion concentration (pH)	—	5.8 - 8.6	6.8	6.9
Biochemical oxygen demand (BOD)	mg/L	20 (15)	4	3
Chemical oxygen demand (COD)	mg/L	20 (15)	6	5.1
Suspended solids (SS)	mg/L	20 (10)	2	2
n-hexane extracts (mineral oils)	mg/L	4	0	0
Copper	mg/L	0.1	0	0
Zinc	mg/L	1.0	0.07	0.05
Coliform count	units/mL	3,000	4	2
Trichloroethylene	mg/L	0.3	0	0
Dichloromethane	mg/L	0.02	0	0
Boron	mg/L	10	0	0
Fluorine	mg/L	15	0	0
Ammoniacal nitrogen			1.6	1
Nitrate-nitrogen	mg/L	100	0.7	0.35
Nitrite-nitrogen			0.39	0.23

Air pollution NOx: Nitrogen oxide, SOx: Sulfur oxide

Equipment	Item	Unit	Regulatory limit (including exceptions)	Measured values	
				Maximum	Average
Compact boiler (6 units)	Dust and soot	g/Nm ³	0.05	0.007	0.0028333
	NOx	ppm	100	79	74
	SOx	Nm ³ /h	0.01	0	0
Metal-heating furnace (3 units)	Dust and soot	g/Nm ³	0.05	0.037	0.00975
	NOx	ppm	150	74	35
	SOx	Nm ³ /h	0.01	0	0

Water quality Figures shown in brackets () for the regulatory limit are daily averages

Item	Unit	Regulatory limit (including exceptions)	Measured values	
			Maximum	Average
Hydrogen ion concentration (pH)	—	5.8 - 8.6	7	6.9
Biochemical oxygen demand (BOD)	mg/L	20 (15)	1	0.5
Chemical oxygen demand (COD)	mg/L	20 (15)	1.3	1.3
Suspended solids (SS)	mg/L	20 (15)	0	0
n-hexane extracts (mineral oils)	mg/L	5	0	0
Phenols	mg/L	5	0	0
Copper	mg/L	3	0	0
Zinc	mg/L	2	0.05	0.05
Soluble iron	mg/L	10	0	0
Soluble manganese	mg/L	10	0	0
Chromium	mg/L	2	0	0
Coliform count	units/mL	3,000	1	0.5
1, 1, 1-trichloroethane	mg/L	0.001	0	0
Boron	mg/L	10	0	0
Ammoniacal nitrogen			0.4	0.40
Nitrate-nitrogen	mg/L	100	0	0
Nitrite-nitrogen			0	0

Air pollution NOx: Nitrogen oxide, SOx: Sulfur oxide

Equipment	Item	Unit	Regulatory limit (including exceptions)	FY2024	
				Maximum	Average
Continuous carburizing furnace	Dust and soot	g/Nm ³	0.1	ND	ND
	NOx	ppm	150	55	28
	SOx	Nm ³ /h	5.00	ND	ND

Water quality Figures shown in brackets () for the regulatory limit are daily averages

Item	Unit	Regulatory limit (including exceptions)	FY2024	
			Maximum	Average
Hydrogen ion concentration (pH)	—	5.8 to 8.6	7.4	7.1
Biochemical oxygen demand (BOD)	mg/L	20 (10)	1	1
Chemical oxygen demand (COD)	mg/L	30 (20)	1.4	0.6
Suspended solids (SS)	mg/L	30 (20)	0.8	0.5
n-hexane extracts (mineral oils)	mg/L	2.5	Undetected	Undetected
Phenols	mg/L	0.3	Undetected	Undetected
Copper	mg/L	1	Undetected	Undetected
Zinc	mg/L	1	Undetected	Undetected
Soluble iron	mg/L	2.5	Undetected	Undetected
Soluble manganese	mg/L	2.5	Undetected	Undetected
Chromium	mg/L	0.5	Undetected	Undetected
Coliform count	units/mL	1500	Undetected	Undetected
Ammoniacal nitrogen	mg/L	16 (12)	8.6	4.7
Nickel	mg/L	0.5	Undetected	Undetected
Phosphorus	mg/L	1 (0.5)	Undetected	Undetected
Boron	mg/L	10	Undetected	Undetected
Fluorine	mg/L	8	Undetected	Undetected

Environmental Data for Each Production Base (FY2024 results)



JATCO
MEXICO
S.A. DE C.V.

Air pollution

NOx: Nitrogen oxide

Equipment	Item	Unit	Regulatory limit (including exceptions)	Measured values	
				Maximum	Average
Metal-heating furnace	Dust and soot	g/Nm ³	1,022.5	0.054	0.0049
	NOx	ppm	375.0	-	-
Aluminum-melting furnace	Dust and soot	g/Nm ³	-	0.146	0.013
	NOx	ppm	375.0	53.71	9
Metal-heating furnace	Dust and soot	g/Nm ³	1113.8	11.38	10.6
	NOx	ppm	-	-	-

Water quality

Item	Unit	Regulatory limit (including exceptions)	Measured values	
			Maximum	Average
Hydrogen ion concentration (pH)	-	5-10	7.9	7.7
Biochemical oxygen demand (BOD)	mg/L	150	33.6	28
Chemical oxygen demand (COD)	mg/L	320	59.2	51
Suspended solids (SS)	mg/L	150	10	10
n-hexane extracts (mineral oils)	mg/L	5	5	5
Phenols	mg/L	n/a	-	-
Copper	mg/L	4	2.2	2.2
Zinc	mg/L	10	5.5	5.5



JATCO
(Guangzhou)
Automatic
Transmission
Ltd.

Air pollution

TSP: Total suspended particulates

Equipment	Item	Unit	Regulatory limit (including exceptions)	Measured values	
				Maximum	Average
Heat treatment line	TSP	mg/m ³	120	2.6	1.55
	Nonmethane hydrocarbons	mg/m ³	120	23	5.45

Water quality

Item	Unit	Regulatory limit (including exceptions)	Measured values	
			Maximum	Average
Hydrogen ion concentration (pH)	-	6.0-9.0	7.2	7.1
Biochemical oxygen demand (BOD)	mg/L	300	18.8	3
Chemical oxygen demand (COD)	mg/L	500	193	78.5
Suspended solids (SS)	mg/L	400	72	46
n-hexane extracts (mineral oils)	mg/L	20	0.4	0.2



JATCO
(Suzhou)
Automatic
Transmission
Ltd.



JATCO
(Thailand)
Co., Ltd.

Air pollution

TSP: Total suspended particulates

Equipment	Item	Unit	Regulatory limit (including exceptions)	Measured values	
				Maximum	Average
Vacuum carburizing furnace VF No. 1	TSP	mg/m ³	400	20.26	-
Vacuum carburizing furnace VF No. 2	TSP	mg/m ³	320	24.48	-

Water quality

Item	Unit	Regulatory limit (including exceptions)	Measured values	
			Maximum	Average
Hydrogen ion concentration (pH)	-	5.5-9.0	7.90	7.66
Biochemical oxygen demand (BOD)	mg/L	500	54.0	26.80
Chemical oxygen demand (COD)	mg/L	750	162	110.5
Suspended solids (SS)	mg/L	200	39	16.3
n-hexane extracts (mineral oils)	mg/L	10	4.00	3.08

Air pollution

TSP: Total suspended particulates

Equipment	Item	Unit	Regulatory limit (including exceptions)	Measured values	
				Maximum	Average
Heat treatment line	TSP	mg/m ³	120	2.1	1.9
	Nonmethane hydrocarbons	mg/m ³	60	51.0	22.7
Machining line	TSP	mg/m ³	120	2.0	1.8

Water quality

Item	Unit	Regulatory limit (including exceptions)	Measured values	
			Maximum	Average
Hydrogen ion concentration (pH)	-	6.0-9.0	7.4	7.1
Biochemical oxygen demand (BOD)	mg/L	300	92.4	86.6
Chemical oxygen demand (COD)	mg/L	500	230	157.0
Suspended solids (SS)	mg/L	400	15	15
n-hexane extracts (mineral oils)	mg/L	100	5	4.52

Social Data

Social data		(FY)			
JATCO Ltd		Unit	2022	2023	2024
Number of employees		People	5,000	4,909	4,695
	Men	People	4,570	4,478	4,266
	Women		430	431	429
Average age		Years old	44	43	44
	Men	Years old	44	44	44
	Women		39	39	39
Years of service		Years	21.0	18.8	21.8
	Men	Years	21.8	19.2	22.3
	Women		15.9	15.6	17.5
Employment rate for individuals with disabilities		%	2.47	2.57	2.58
Percentage of men taking childcare leave		%	16.5	30.2	38.6
Percentage of employees returning to work after taking childcare leave		%	100	100	100
	Men	%	100	100	100
	Women		100	100	100
Number of days of annual leave taken		Days	16.8	15.8	18.5
Average overtime hours		Hours/month	17.9	22.8	21.9
Female managers		People	13	14	16
	Ratio	%	4.8	5.2	5.3
Number of new hires		People	50	42	65
	Men	People	42	36	56
	Women		8	6	9

Scope: JATCO Ltd.

- * Percentage of men taking childcare leave = male employees who took one day or more of childcare leave in the applicable fiscal year ÷ the number of male employees whose spouse gave birth in the applicable fiscal year
- * The FY2024 figures for the number of new hires are the figures as of April 2025

GRI Standards Reference Table



GRI Standards Reference Table

Statement of use	JATCO Ltd referred to the GRI Standards to report the information stated in this reference table regarding the period from April 1, 2024 to March 31, 2025.
GRI used	GRI 1: Foundation 2021

GRI Standards		Disclosure		Location	Pages (PDF)
General Disclosures					
2	General Disclosures 2021	2-1	Organizational details	Corporate Information	P.6
		2-2	Entities included in the organization's sustainability reporting	Editorial Policy Corporate Information	P.2 P.6
		2-3	Reporting period, frequency and contact point	Editorial Policy	P.2
		2-4	Restatements of information	—	—
		2-5	External assurance	—	—
		2-6	Activities, value chain and other business relationships	History of Value Creation Core Technologies Sustainable and Responsible Sourcing	P.8 P.10 P.63-65
		2-7	Employees	Social Data	P.76
		2-8	Workers who are not employees	—	—
		2-9	Governance structure and composition	Commitment to corporate governance	P.67
		2-10	Nomination and selection of the highest governance body	Commitment to corporate governance	P.67
		2-11	Chair of the highest governance body	Commitment to corporate governance	P.67
		2-12	Role of the highest governance body in overseeing the management of impacts	Commitment to corporate governance	P.67
		2-13	Delegation of responsibility for managing impacts	Commitment to corporate governance	P.67
		2-14	Role of the highest governance body in sustainability reporting	Materialities (Key Issues) Commitment to corporate governance	P.16 P.67
		2-15	Conflicts of interest	Signing of the Declaration of Partnership Building Strengthening Compliance	P.63 P.67-68
		2-16	Communication of critical concerns	Strengthening Compliance Risk Management Initiatives	P.67-68 P.69
		2-17	Collective knowledge of the highest governance body	—	—
		2-18	Evaluation of the performance of the highest governance body	Commitment to corporate governance	P.67

GRI Standards		Disclosure	Location	Pages (PDF)
	2-19	Remuneration policies	—	—
	2-20	Process to determine remuneration	—	—
	2-21	Annual total compensation ratio	—	—
	2-22	Statement on sustainable development strategy	CEO Message Message from the Officer in Charge of Sustainability	P.3-4 P.15
	2-23	Policy commitments	Our Approach to Monozukuri Basic Sustainability Policy JATCO's Environmental Policy Human Resource Development Policy Basic Health and Safety Policy Declaration on Health Management Policy and Approach Relating to Quality Our Approach Regarding Human Rights JATCO's Basic Approach with Respect to the Supply Chain	P.11-13 P.15 P.20 P.49 P.52 P.55 P.59 P.62 P.63
	2-24	Embedding policy commitments	Our Approach to Monozukuri Basic Sustainability Policy JATCO's Environmental Policy Human Resource Development Policy Basic Health and Safety Policy Declaration on Health Management Policy and Approach Relating to Quality Our Approach Regarding Human Rights JATCO's Basic Approach with Respect to the Supply Chain	P.11-13 P.15 P.20 P.49 P.52 P.55 P.59 P.62 P.63
	2-25	Processes to remediate negative impacts	Our Approach Regarding Human Rights Strengthening Compliance	P.62 P.67-68
	2-26	Mechanisms for seeking advice and raising concerns	Strengthening Compliance	P.67-68
	2-27	Compliance with laws and regulations	Strengthening Compliance	P.67-68
	2-28	Membership associations	Our Approach to Monozukuri	P.13
	2-29	Approach to stakeholder engagement	Stakeholder Engagement	P.66
	2-30	Collective bargaining agreements	—	—
Material Topics				
3	Material Topics 2021	3-1	Process to determine material topics	Materialities (Key Issues)
		3-2	List of material topics	Materialities (Key Issues) Materialities (key issues) and Our Vision

GRI Standards		Disclosure		Location	Pages (PDF)
	3-3	Management of material topics		Materialities (Key Issues)	P.16
				Materialities (key issues) and Our Vision	P.17
				Environment	P.19-38
				Business	P.39-42
				Society	P.43-46
				Human Capital	P.47-57
				Business Foundation	P.58-72
Economy					
201	Economic Performance 2016	201-1	Direct economic value generated and distributed	Corporate Information History of Value Creation	P.6 P.8
		201-2	Financial implications and other risks and opportunities due to climate change	—	—
		201-3	Defined benefit plan obligations and other retirement plans	—	—
		201-4	Financial assistance received from government	—	—
202	Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	—	—
		202-2	Proportion of senior management hired from the local community	—	—
203	Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	Community Development Social Contribution Activities	P.44 P.45-46
		203-2	Significant indirect economic impacts	—	—
204	Procurement Practices 2016	204-1	Proportion of spending on local suppliers	—	—
205	Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	—	—
		205-2	Communication and training about anti-corruption policies and procedures	Strengthening Compliance	P.67-68
		205-3	Confirmed incidents of corruption and actions taken	—	—
206	Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	—	—
207	Tax 2019	207-1	Approach to tax	—	—
		207-2	Tax governance, control, and risk management	—	—
		207-3	Stakeholder engagement and management of concerns related to tax	—	—
		207-4	Country-by-country reporting	—	—
Environment					
301	Materials 2016	301-1	Materials used by weight or volume	Material Balance	P.23-24
		301-2	Recycled input materials used	Building a Circular Economy	P.33-35
		301-3	Reclaimed products and their packaging materials	Building a Circular Economy	P.33-35

GRI Standards		Disclosure	Location	Pages (PDF)	
302	Energy 2016	302-1	Energy consumption within the organization	Material Balance Carbon Neutrality Initiatives Production Area Efforts	P.23-24 P.26 P.28
		302-2	Energy consumption outside of the organization	Total Product Life Cycle Initiatives	P.27
		302-3	Energy intensity	Material Balance	P.23-24
		302-4	Reduction of energy consumption	Material Balance	P.23-24
				Continuous Efforts to Reduce Environmental Impact, Based on the PDCA (Plan-Do-Check-Act) Cycle FY2024 CO ₂ Emissions Results (Global)	P.25 P.26
302-5	Reductions in energy requirements of products and services	Environmental Management Pursuit of Energy Efficiency Promotion of Decarbonization	P.22 P.42 P.26-29		
303	Water and Effluents 2018	303-1	Interactions with water as a shared resource	Air, Water and Soil Conservation	P.36-38
		303-2	Management of water discharge-related impacts	Air, Water and Soil Conservation	P.36-38
		303-3	Water withdrawal	Material Balance	P.24
		303-4	Water discharge	Material Balance	P.24
		303-5	Water consumption	Material Balance	P.24
304	Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	—	—
		304-2	Significant impacts of activities, products and services on biodiversity	—	—
		304-3	Habitats protected or restored	Social Contribution Activities	P.45-46
		304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	—	—
305	Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Carbon Neutrality Initiatives	P.26
		305-2	Energy indirect (Scope 2) GHG emissions	Carbon Neutrality Initiatives	P.26
		305-3	Other indirect (Scope 3) GHG emissions	Total Product Life Cycle Initiatives	P.27
		305-4	GHG emissions intensity	Continuous Efforts to Reduce Environmental Impact, Based on the PDCA (Plan-Do-Check-Act) Cycle Carbon Neutrality Initiatives	P.25 P.26
				FY2024 Environmental Results Material Balance	P.22 P.23
		305-5	Reduction of GHG emissions	—	—
		305-6	Emissions of ozone-depleting substances (ODS)	—	—
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Management of Chemical Substances Environmental Data for Each Production Base	P.38 P.74-75		

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306	Waste 2020	306-1	Waste generation and significant waste-related impacts	Building a Circular Economy	P.33-35
		306-2	Management of significant waste-related impacts	Building a Circular Economy	P.33-35
		306-3	Waste generated	Material Balance	P.24
				Initiatives for Waste Management	P.33
				Management of Chemical Substances	P.38
306-4	Waste diverted from disposal	Initiatives for Waste Management	P.33-35		
306-5	Waste directed to disposal	Initiatives for Unit Repair and Regeneration	P.35		
308	Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Sustainable and Responsible Sourcing	P.63-65
		308-2	Negative environmental impacts in the supply chain and actions taken	Sustainable and Responsible Sourcing	P.63-65
Society					
401	Employment 2016	401-1	New employee hires and employee turnover	Social Data	P.76
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	—	—
		401-3	Parental leave	Social Data	P.76
402	Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	—	—
403	Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Occupational Safety and Health	P.52-57
		403-2	Hazard identification, risk assessment, and incident investigation	Occupational Safety and Health	P.52-57
		403-3	Occupational health services	Occupational Safety and Health	P.52-57
		403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Safety and Health	P.52-57
		403-5	Worker training on occupational health and safety	Occupational Safety and Health	P.52-57
		403-6	Promotion of worker health	Initiatives for health management	P.55-57
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Safety and Health	P.52-57
		403-8	Workers covered by an occupational health and safety management system	Basic Health and Safety Policy	P.52
		403-9	Work-related injuries	Safety Activity Management Metrics	P.54
		403-10	Work-related ill health	Health Management Activity Management Metrics	P.57
404	Training and Education 2016	404-1	Average hours of training per year per employee	—	—
		404-2	Programs for upgrading employee skills and transition assistance programs	Career Development	P.49-51
		404-3	Percentage of employees receiving regular performance and career development reviews	Career Development	P.49-51

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405	Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Diversity & Inclusion Human Rights Management Strengthening Compliance	P.48 P.62 P.67-68
		405-2	Ratio of basic salary and remuneration of women to men	—	—
406	Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	—	—
407	Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	—	—
408	Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	—	—
409	Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	—	—
410	Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	—	—
411	Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	—	—
413	Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Community Development Social Contribution Activities	P.44 P.45-46
		413-2	Operations with significant actual and potential negative impacts on local communities	—	—
414	Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Sustainable and Responsible Sourcing	P.63-65
		414-2	Negative social impacts in the supply chain and actions taken	—	—
415	Public Policy 2016	415-1	Political contributions	—	—
416	Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Quality that Brings Trust	P.59-61
		416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	—	—
417	Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	—	—
		417-2	Incidents of non-compliance concerning product and service information and labeling	—	—
		417-3	Incidents of non-compliance concerning marketing communications	—	—
418	Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	—	—

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