



Forging Sustainable Relationships with Stakeholders

The JTEKT Group has grown into what it is today through the support of its various stakeholders. We believe the opinions and requests of such stakeholders are important references when making decisions relating to our business activities, and we are working to increase opportunities for productive dialogue.

Employees

Human resources development measures

Promoting diversity

We are undertaking the building of workplaces in which employees can work enthusiastically and healthily over the long term, as well as putting in place a human resources development framework that encourages every individual employee to undertake self-directed learning and helps them to achieve personal growth.

We position diversity promotion as one of the important management strategies for realizing the JTEKT GROUP VISION.

Concrete Measures for Promoting Diversity

Based on an approach that recognizes diversity, in its ultimate sense, as valuing the personality of each individual, we are striving on a daily basis to build a workplace environment in which every employee is able to undertake their work with enthusiasm and motivation.

- Starting from fiscal 2015, we have been making a major effort to promote diversity, with the commencement of measures focused on fostering the advancement of female employees and non-Japanese employees.
- Since fiscal 2017, we have been expanding and promoting our measures for realizing active participation by senior citizens and people with disabilities.
- In fiscal 2018, as part of our efforts to help employees balance their work responsibilities with their childcare or family care responsibilities, we have launched various measures, including expanding the scope of day-care center provision on weekends and public holidays, organizing seminars for employees wishing to return to work after taking time off for family care or childcare responsibilities, etc.
- In fiscal 2019, we promoted activities aimed at understanding and support for LGBT.
- In May 2019, we were awarded Kurumin Mark certification in accordance with the provisions of the Act on Advancement of Measures to Support Raising Next-Generation Children.



Balance Support System (examples)

- Reduced working hours for childcare: Enables employees to shorten fixed working hours until the end of March when the child completes the second year of elementary school
- Day-care support: Established "Tacchicchi House," an on-site daycare (open on public holidays), through collaboration with four Toyota Group sponsor companies
- Babysitter subsidy system: 50% of babysitter costs are subsidized by the Company (up to ¥240,000 yen per employee, per year)

Building a sound framework for human resources development

JTEKT's human resources development framework comprises the following key pillars: on-the-job training (OJT), off-the-job training (OFF-JT), and career development.

- OJT
- OFF-JT
 - Grade-specific, position-specific, and age-specific training
 - Selection training / thematic training (problem-solving training, etc.)
 - Training in specialist fields (safety and health, environmental, quality management, technology-related, etc.)
- Succession planning
 - Helping employees to build up valuable experience through carefully planned training and rotation
- Planning is underway for the utilization of talent management systems and learning management systems to build a framework for employee rotation that makes effective use of data, identify skill gaps at the level of individual employees and implement effective career planning, and realize on-demand training, etc.
- The Global Succession Committee develops and optimally allocates management personnel for the entire Group


Supporting employees with disabilities

We support the active participation of employees with disabilities by creating a comfortable work environment and assigning work to employees according to their individual disability characteristics. In addition, as society is faced with the challenge of improving the workplace retention rate for people with disabilities, we are working to improve our retention rate by inculcating a thorough understanding of the workplace and work through practical training for employees with disabilities.

Safety and health-related initiatives

To create a safe and comfortable workplace environment

Following a revised Safety and Health Philosophy, "All accidents are definitely preventable!," all employees engage in safety and health activities and to enhance a comfortable workplace environment. In addition, a dedicated global message, "All for One in Life," expresses the safety actions of the philosophy. All JTEKT focuses on ZERO accidents.



Safety and Health Philosophy

JTEKT and JTEKT Group aim to create a safe and secure workplace for zero accidents in the belief that "All accidents are definitely preventable!"

All for One in Life

"To promote a 'Safety-minded people' and 'Safe workplace' that enables all employees to work safe and healthy."

[JTEKT Safety and Health Action Guidelines]

1. We promote detailed activities with the participations of all employees.
2. We understand and abide legal laws and safety rules regarding safety and health.
3. We promote continuous KAIZENs towards zero accidents.

June 25, 2020
JTEKT CORPORATION
Senior Executive Director
Makoto Sano

From March 11, 2019, through the end of August, we conducted a Companywide safety campaign with the aim of becoming "Global No. 1 even in safety." Specific activities included:

- (1) Serialized a special issue on safety in the Company newsletter for six months starting in the March
- (2) Posted safety posters at each office
- (3) Distributed safety carrying cards

We aim to raise the safety awareness of all employees, realize a safe workplace, and realize safe people.

Health-related initiatives

Promoting healthy minds and bodies for every employee

JTEKT values the health of each and every one of its employees and as such, conducts health management activities so that employees may enjoy their daily work and go about it with vitality.

Achieving Mental Health

JTEKT consistently promotes mental health countermeasures focusing on preventing depression and mental illnesses, but the number of employees in their 20s and 30s taking leave for the first time increased in fiscal 2019. In response, we conducted communication skills improvement training for employees in their 30s. We also provide mental health education as part of level-based training for new managers and supervisors. In fiscal 2019, we provided mental health education for managers, communication skills training, and education for factory supervisors. We increased conversations with workplace members and made efforts to create an atmosphere in which it is easy to speak out.

Achieving Physical Health

JTEKT places importance on the prevention, early detection, and early treatment of illnesses such as lifestyle-related diseases, and proactively supports the health management of its employees.

Certified as an Excellent Health Management Company (Large-scale Company Category, White 500) four years running

For four consecutive years (as of 2020), JTEKT has been certified as an Excellent Health Management Company (White 500) in recognition of its proactive initiatives promoting the emotional and physical health of its employees.





Business Partners

We follow proper business practices and engage in fair, transparent, and free competition based on a respect for the law.

Promotion of fair and equal business transactions

JTEKT respects its business partners and aims to develop and grow based on mutual trust. In our Corporate Activities Standards and Purchasing Philosophy, we have clearly stated our policy of practicing open and fair business regardless of nationality, company size, and experience doing business with JTEKT. Moreover, in order to offer fair and equal opportunities to trade with us, we publicly disclose the preliminary steps to establishing trade with JTEKT on our website.

Purchasing Philosophy

Fair and transparent business transactions We provide open, fair, and equal opportunities to all regardless of nationality or company size, including companies with no experience doing business with JTEKT.

Purchasing Basic Policy

Mutual trust	Build mutual trust through close communication with business partners.
Coexistence and co-prosperity	Achieve harmonious relationships with business partners based on mutual trust.
Long-term, stable business relationships	Achieve stable procurement meeting JTEKT's quality, cost, volume, and delivery requirements through continuous business.
Global purchasing	Achieve optimal purchasing from a global viewpoint and improve international competitiveness through a strong supplier chain.

Purchasing policy meeting

JTEKT's purchasing policy meeting was held in April 2019, with 277 representatives of 258 companies in attendance. As part of our procurement policy for fiscal 2019, we made requests concerning the strengthening of CSR and thorough implementation of safety measures, both of which are the basic premise of business. We also explained key implementation items for the current year. In addition, we presented awards to our business partners for outstanding achievements throughout the year in terms of quality, technology, VE¹ and VA² proposals and the environment (newly established from fiscal 2019).

¹ Value Engineering: Engineering having a simple and robust structure
² Value Analysis: Analysis that improves profitability for products currently in mass production.

JTEKT Supplier Association Disaster mitigation study session

The JTEKT Supplier Association, comprising 250 business partners (as of fiscal 2019), aims to build relationships of mutual trust among council members and strengthen enterprise fundamentals, engaging in activities including quality management meetings, training sessions, lectures and a disaster mitigation study meeting to prepare for large-scale disasters. Regarding disaster mitigation activities, which have been attracting attention in recent years, study meetings were held during fiscal 2019 at Osaka and Nagoya in July and November focusing on two themes (responses to disasters such as typhoons and flood damage that occur over time, and the six-step process from ascertaining risks to countermeasure implementation) that deepened understanding of the necessity of preparing for and responding to emergencies during normal times.

CSR Activity Items Guidelines for suppliers

In order to share JTEKT's approach to CSR with suppliers, we have issued a set of CSR Activity Items Guidelines for suppliers, which clarify which items we expect suppliers to comply with. Suppliers are asked to also request that their own upstream suppliers follow these Guidelines.

1. Managerial measures	
• Compliance	• Risk management
2. Stakeholder-related measures	
• Quality maintenance and enhancement	• Fair transactions
• Good labor relations	• Human rights protection and respect for diversity
• Adherence to corporate ethics	• Contributing to the local community
3. Global environment measures	
• Environmental management	• Environmentally friendly business activities

Activity items that the Guidelines request suppliers comply with

Local Communities

As a good corporate citizen, we aggressively pursue activities that contribute to society.

Sports promotion initiatives

Through sports, JTEKT will contribute to the development of young people and the promotion of sports, and by expanding the scope of activities of JTEKT STINGS, which has become No. 1 in Japan, we will strive to improve the company's recognition and favorable impression.



JTEKT STINGS won their first league championship in their seventh year of promotion to the top league



V.LEAGUE 2019—20 Season Champions

The number of appearances on the nationwide television has increased due to Yuji Nishida becoming a regular member of the Japan men's national volleyball team and the Tokyo Olympics. Promotional videos featuring the catchphrase "Jump to the future!" have become popular in television commercials and on YouTube.

Nishida has won numerous awards, including MVP and Japan's first top scorer

Volleyball classes

Through JTEKT STINGS activities, we held volleyball classes at all 14 locations in fiscal 2019 with the aim of promoting volleyball and interacting with local communities. During the July visit to Akita Prefecture, where JTEKT has an IT development center, more than 100 elementary and junior high school students enjoyed interacting and playing volleyball with V-Leaguers.

JTEKT strives to cultivate a sense of unity throughout the entire Group and to contribute to local communities and society by encouraging and supporting the players who are constantly challenging themselves to become "No. 1."



Initiatives aimed at fostering harmony with nature

Toyota City Asahi district forest development project
 JTEKT Head Office, internal departments

JTEKT has participated in forest service activities conducted by the "Asahi Ki no Eki Project Executive Committee" through the support of the Toyota City Oiden-Sanson Center since 2019.

In the activity in December 2019, we collected and transported thinned wood in a 0.5 hectare planted forest to be maintained by the Asahi Ki no Eki Project Executive Committee and the mountain owner under the guidance of the committee and the Yahagi-gawa Suikei Forest Volunteer Council "Yamorikyuu." By adding forest health checkups and thinning operations starting in 2020, we plan to develop environmental human resources for the preservation of the local environment and ongoing biodiversity conservation.



Toichi-cho ecosystem survey
 Nara Plant

JTEKT's Nara Plant conducted an ecosystem survey in December 2019 in cooperation with Kinki University at Toichi Pond, which is located in Toichi-cho, Kashihara. Since fiscal 2017, with support from Kinki University, the Nara Plant has been conducting conservation activities for *Rhodeus ocellatus kurumeus* (Japanese rosy bitterling), which has been designated as a "Specified National Endangered Species of Wild Fauna and Flora" at a biotope on the plant premises in Nara Prefecture. We will continue to collaborate with Kinki University and local residents to develop community-based activities in the future.



Overseas affiliate company initiatives

NGO activity support
 Overseas affiliate company: JABR (Brazil)

JTEKT AUTOMOTIVA BRASIL LTDA. supports the activities of local NGO "Brasil Sem Frestas" by collecting and reusing Tetra Pak.

Brasil Sem Frestas is working on wall restorations and improvement activities to improve lifestyle temperature environments in local houses.



Support for local facilities
 Overseas affiliate company: JAMX (Mexico)

JTEKT AUTOMOTIVE MEXICO contributes to local communities through activities including the provision of food to animal shelters, the provision of sanitary products to evacuation shelters and assistance at nursing homes.



COVID-19-Related Activities

Kokoro Hakobu Project

The "Kokoro Hakobu Project" is a general name for ongoing and long-term support activities conducted by the Toyota Motor Corporation, Toyota dealerships and their employees throughout Japan with sincere and heartfelt concern in support of areas afflicted by the Great East Japan Earthquake. The Kokoro Hakobu Project is a general term for the support activities that TOYOTA Group works on together based on the desire to do something for all those who are struggling with COVID-19 and also those medical workers, governments and local government officials struggling day and night.



In-house mask production

In cooperation with Toyota Group companies, JTEKT launched in-house production of masks for employees as a COVID-19 preventative measure. Production and distribution began in June 2020. By utilizing our manufacturing technology to produce masks in-house, we will contribute to easing mask supply and demand.

Medical protective clothing donations

At JTEKT Group company Koyo Machine Industries Co., Ltd., 380 employees created 800 articles of protective clothing worn by medical workers at home as part of Koyo Machine Industries' contribution to Yao City in Osaka Prefecture, where their office is located. This handmade protective clothing was donated to the Yao Municipal Hospital through the Yao City government.



Mobile PCR test facility trial

Tokushima University and JTEKT had been jointly developing a mobile test facility based on a comprehensive cooperative agreement signed in 2019. In anticipation of the spread of COVID-19, we urgently remodeled the mobile test facility that was being developed as a measure to contribute to the enhancement of the test system and the safety of medical workers, and have newly developed a mobile PCR test facility. We will conduct trial PCR testing at this facility in order to verify and evaluate issues in actual medical practice for future use of the facility.



Facility exterior



Facility interior