

BASIC APPROACH TO ENVIRONMENTAL PROTECTION, AND ENVIRONMENTAL PROMOTION FRAMEWORK

The Mazda Global Environmental Charter

Environmental Principles

The Mazda Group aims to promote environmental protection and contribute to a better society while maintaining harmony with nature in its business activities worldwide.

- We will contribute to society by creating environmentally friendly technologies and products.
- We will use the Earth's resources and energy sparingly and never overlook environmental considerations when conducting our business.
- We will do our part to improve the environment by working with local communities and society.

Action Guidelines

1. Creation of Environmentally Sound Technologies and Products

We are committed to the task of creating clean technologies, including methods to achieve cleaner exhaust emissions and reductions in CO₂ emissions, and the development of clean energy vehicles.

We will promote the creation of products that are environmentally friendly from planning and development to manufacturing, use and recycling/disposal.

2. Corporate Activities in Consideration of Conserving Resources and Energy

We will actively promote resource-saving and recycling activities to conserve the Earth's limited resources. We will strive to diversify energy sources and use them efficiently.

We will promote the appropriate disposal and recycling of end-of-life vehicles.

3. Corporate Activities in Pursuit of a Cleaner Environment

We will comply with environmental laws and regulations, and will also impose voluntary controls for higher standards and implement self-regulated controls. We will promote the development of new technologies and the introduction of new systems in our pursuit of a cleaner environment.

4. Working with Business Partners to Create a Better Environment

We will actively provide our employees with education and information about environmental protection to enhance their awareness of the global environment. We will work in close cooperation with each other to achieve better environmental protection.

5. Creating a Better Environment in Cooperation with Local Communities and Society

We will work actively to understand and appreciate society's requirements for the environment and reflect them in our business activities. We will disclose and publicize environment-related technologies, systems and information. We will not only conduct our own environmental activities, but will also actively participate in social activities for the conservation of the environment.

(Established in 1992; revised in April 2005)

Philosophy and Policies

Mazda carries out its corporate activities with the aim of fulfilling its Corporate Vision (see p.6). To this end, Mazda established the Mazda Global Environmental Charter as the basic policy for environmental matters in the Mazda Group. The Charter, which states "The Mazda Group aims to promote environmental protection and contributes to a better society while maintaining harmony with nature in its business activities worldwide," along with the five Action Guidelines forms the basis of Mazda's approach to the environment. The Company carries out corporate activities related to products and technologies; manufacturing, logistics, and office operations; social contributions, respectively in consideration of the environment. The Company also strives to address various social issues, including climate change and resource recycling, while placing emphasis on collaboration with external organizations/international initiatives*1

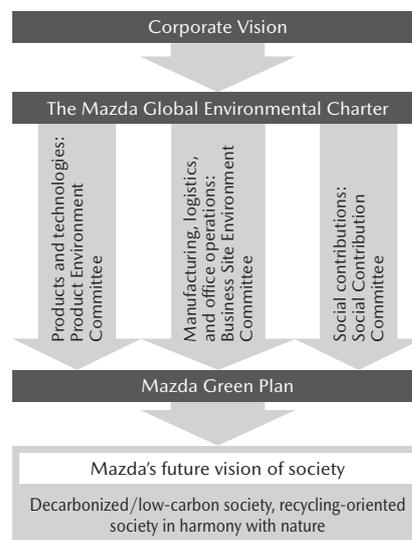
Support and Response to TCFD

In May 2019, Mazda declared its support for the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD)*2 and joined the TCFD Consortium,*3 showing its commitment to strengthening its efforts to address climate change. In addition, in January 2021, the Company announced that it would endeavor to achieve carbon neutrality throughout the entire supply chain by 2050. Mazda's major initiatives to address climate change in accordance with the TCFD recommendations*4 are as follows.

For more details, please refer to the following URL:<https://www.mazda.com/en/sustainability/>

	TCFD recommendations	Major initiatives
Governance	Disclose the organization's governance around climate-related risks and opportunities.	<ul style="list-style-type: none"> • The Executive Vice President and COO oversees Mazda's carbon neutrality strategy and assigns an Executive Officer in charge of carbon neutrality. • Under the supervision of the Executive Officer in charge of carbon neutrality, the Corporate Strategy Office leads a team specializing in carbon neutrality and formulates and promotes the strategy. • The strategy proposals studied are reported to and discussed at the Board of Directors.
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	<ul style="list-style-type: none"> • The strategy is studied based on the scenarios from the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA), policies, regulatory trends, and industry trends. • <Major risks> Stricter regulations on fuel economy and exhaust gas, introduction of carbon tax, increased investment and cost burden due to intensified competition in the development of technologies including electrification, etc. • <Major opportunities> Expansion of sales opportunities and enhancement of corporate value through the promotion of a carbon neutrality focused manufacturing process, a Building-Block Strategy, a multi-solution strategy, etc.
Risk Management	Disclose how the organization identifies, assesses, and manages climate-related risks.	<ul style="list-style-type: none"> • Risks and opportunities are identified and assessed in developing and implementing the strategy. • The strategy proposals studied are reported to and discussed at the Executive Committee Meetings and Board of Directors.
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	<ul style="list-style-type: none"> • It is assumed that 100% of Mazda's products will have some level of electrification, and its EV ratio will be 25% by 2030. • All emission results of Scopes 1, 2 and 3 are managed.

a Philosophy and Policies for Environmental Initiatives



*1 External organizations/international initiatives in which Mazda Participates: - Subcommittees of Japan Automobile Manufacturers Association, working groups of Global Compact Network Japan (GCN), Challenge Zero initiative of Keidanren (Japan Business Federation), etc.

*2 TCFD: Task Force on Climate-related Financial Disclosures A private-sector-led organization set up by the Financial Stability Board (FSB), in response to the request from the G20 Finance Ministers and Central Bank Governors.

*3 An organization established in Japan, aimed at holding discussions regarding climate change on effective corporate information disclosure and efforts for leading disclosed information to appropriate decision-making on investment by financial institutes and other entities. The Ministry of Economy, Trade and Industry, the Financial Services Agency, and the Ministry of the Environment participate in the consortium as observers.

*4 Source: <https://tcfd-consortium.jp/en/about>

Contribution to Resolving Social Issues

Mazda Environmental Promotion Framework

Mazda has established three committees under the CSR Management Strategy Committee, chaired by the president of the Company, to promote environmental management throughout the Group. These are the Product Environment Committee, the Business Site Environment Committee, and the Social Contribution Committee.

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b Mazda Environmental Promotion Framework (as of March 31, 2021)

