

ENVIRONMENTAL MANAGEMENT

I Establishing Environmental Management Systems

Mazda is promoting the establishment of Environmental Management Systems (EMS) across its entire supply chain and in all Group companies. The purpose of the EMS is to carry out more environmentally conscious business activities in a more effective manner, based on ISO 14001 and other standards.

Progress Status

- Mazda and Group manufacturing companies in Japan and overseas have now acquired ISO 14001 certification. (Obtained by 14 out of a total of 14 companies)
- Mazda has had dealerships in Japan certified under EcoAction 21 (EA21),*1 an environmental management system. Introduction of the system has been completed at the Company's 15 consolidated dealerships, and is now expanded to owner-managed dealerships. As of the end of March 2023, 25 dealerships of the Mazda/Mazda Enfini sales channel, 114 dealerships of the Mazda Autozam sales channel, and Mazda Chuhan (a used car sales company) have been certified. The dealerships that have already been certified are continuously supporting the introduction of the environmental management system at newly opened shops.
- Mazda has completed introduction of an exclusive Mazda EMS to two Mazda Group vehicle parts companies in Japan.

List of ISO 14001 Certified Production and Business Sites

Domestic production / business sites

Hiroshima district	Hiroshima Plant	June 2000
	Miyoshi Plant	
Hofu Plant	Nishinoura district	September 1998
	Nakanoseki district	September 1999
Tokyo Headquarters		September 2016
Mazda R&D Center Yokohama		
Proving Ground (Mine, Kenbuchi, Nakasatunai)		
Osaka Corporate Sales Office		

Overseas production site

AutoAlliance (Thailand) Co., Ltd.*1	May 2000
Changan Mazda Automobile Co., Ltd.*1	December 2008
Changan Mazda Engine Co., Ltd.*1	February 2009
Mazda de Mexico Vehicle Operation*2	December 2014
Mazda Powertrain Manufacturing (Thailand) Co., Ltd.*2	November 2016

*1 Equity-method group company

*2 Consolidated group company

Four domestic consolidated group companies (excluding sales companies)

Mazda E&T Co., Ltd.*3	June 2000
Mazda Ace Co., Ltd.*3	June 2000
Mazda Logistics Co., Ltd.*3	June 2000
Kurashiki Kako Co., Ltd.	December 2001

*3 Some or all of the organizations at each of the companies above acquired ISO 14001 certification in the certification scope of Mazda.

Four domestic equity-method group companies

Toyo Advanced Technologies Co., Ltd.*4	June 2000
Japan Climate Systems Corporation	May 2000
Yoshiwa Kogyo Co., Ltd.	April 2002
MCM Energy Service Co., Ltd.*5	June 2008

*4 The company was ISO 14001 certified in the certification scope of Mazda. As a separate business facility, the company individually acquired the certification in March 2016. As a separate company, however, the company acquired re-certification in April 2017, resulting in the exclusion of the company from the certification scope of Mazda.

*5 Although the company was inside the certification scope of Mazda, it acquired the certification on its own in March 2013.

I Development of Environmental Policies

In order to promote environmental initiatives within Mazda's scope of certification, the Company has developed the following environmental policy.

Mazda Environmental Policy

Basic Policy

Through business activities that coexist with the society and local community, we will realize the carbon-neutral and recycling-oriented society.

Action guidelines

- (1) Mazda will strive to recycle resources, reduce energy consumption, introduce renewable energy, and conserve biodiversity.
- (2) Mazda will promote the use of environmentally friendly products and services by providing products and services whose life cycle was considered.
- (3) Mazda will not only comply with environmental laws and regulations, but also consider the environmental impact of its corporate activities on local communities and society and ensure the comfortable environment of the society in the future.
- (4) Mazda will raise the environmental awareness of each employee and contribute to the realization of a sustainable society through the Company's entire corporate activities, while placing importance on the appropriate disclosure of information and mutual communication.

*1 Simplified EMS established by the Ministry of the Environment, for application at companies of various scales, such as small to medium-sized companies.

Promoting Green Purchasing

With the aim of reducing the environmental burden throughout its entire supply chain, Mazda established the “Mazda Green Purchasing Guidelines” and engages in operation activities accordingly. These guidelines require all of its suppliers worldwide to undertake measures to reduce their burden on the environment, at all stages from product development to manufacturing and delivery. The guidelines also make it clear that Mazda will give preference in purchasing to suppliers who implement such environmental measures.

Mazda also requires its suppliers of parts, materials, and industrial equipment and tools to obtain and maintain ISO 14001 certification, and to reduce the amount of greenhouse gas emissions generated through their corporate activities. In addition, the Company promotes environmental activities in collaboration with its suppliers by providing them with information and other assistance. Presently, all major suppliers involved in Mazda vehicle development and manufacturing have acquired ISO 14001 certification.

Status of Establishment of Environmental Management Systems (EMS) at Suppliers

- All major suppliers in Japan and abroad with which the Company has ongoing business relationships (around 500 companies), including new suppliers, have maintained certification as of the end of March 2023.
- Under the Mazda Green Purchasing Guidelines, Mazda requires, through primary suppliers, secondary suppliers and the subcontractors to establish EMS.

Collaborative Efforts with Suppliers to Achieve Carbon Neutrality

- Under the Mazda Green Purchasing Guidelines, Mazda asks suppliers to formulate and enact roadmaps to reducing their CO₂ emissions. The Company has received these CO₂ emissions reduction roadmaps from major suppliers, particularly from local suppliers, and collaborative efforts toward carbon neutrality are underway.

Status of Implementation of Environmental Audits

To confirm that environmental management systems, such as ISO 14001 and EcoAction 21, are operating effectively, both internal audits and environmental management system audits (EMS audit) are carried out annually at Mazda and all of its Group companies, both in Japan and overseas, that have obtained certification. Results of internal audits and EMS audits are reported to senior management, and any problems are swiftly and appropriately rectified.

EMS Audit Results on ISO 14001

Mazda Motor Corporation

	FY March 2019	FY March 2020	FY March 2021	FY March 2022	FY March 2023
Serious noncompliance issues	0	0	0	0	0
Minor noncompliance issues	0	0	0	0	1
Observation issues	6	6	5	5	8

Eliminating Sensory Pollution

Sensory pollution comprises noise, vibration, and odors that have a sensory or psychological impact on people. Mazda recognizes that clearing legal regulations may not be enough to prevent noise, vibration, and odors from annoying neighborhood residents. For this reason, Mazda is systematically stepping up measures to alleviate the causes of such pollution, as well as measures to improve noise insulation and odor removal.

Specific Initiatives in Environmental Risk Management

Environmental Monitoring
Drills are conducted at each plant and office to prepare to respond to accidents that adversely affect the natural environment, while environmental monitoring, including monitoring of air and water pollution, is also conducted regularly.

Legal Violations and Complaints

In FY March 2023, there was one violation of environmental laws and regulations at an overseas group company, and one complaint at a group company in Japan. The Company is taking appropriate actions and is implementing measures to prevent recurrence.

Environmental Monitoring

Environmental monitoring item	Target of monitoring	Items monitored	Monitoring frequency
Air quality	Boilers, melting furnaces, heating furnaces, drying furnaces, etc.	5 items: sulfur oxides, nitrogen oxides, soot, volatile organic compounds, hydrogen chloride	Around 320 times per year
Water quality	Treated wastewater	43 items: cadmium, cyanide, organic phosphorus, lead, hexavalent chromium, etc.	Around 1,600 times per year
Noise and Vibration	Site boundaries	2 items: noise level and vibration level	36 times per year
Odor	Site boundaries and other locations	1 item: odor index	15 times per year
Waste products	Slag, sludge, scrap metal, etc.	25 items: cadmium, cyanide, organic phosphorus, lead, hexavalent chromium, etc.	Around 100 times per year

Legal Violations and Complaints

(FY March 2023)

	Mazda Motor Corporation		Group Companies	
	Number of incidents	Details and response	Number of incidents	Details and response
Legal violations	0	-	1	Water quality: implemented remedies for the sources
Complaints	0	-	1	Wastewater discharge: implemented measures to prevent recurrence

*Boundary: Mazda and its Group companies

Environmental Education/Education Program Structure

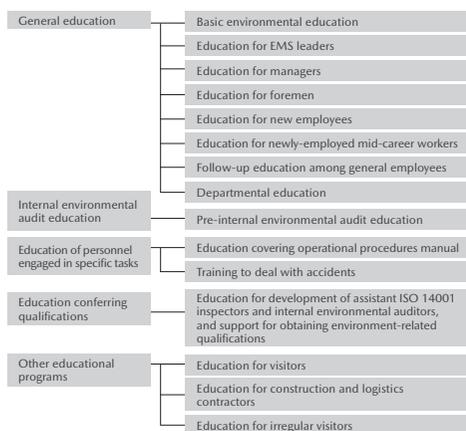
As part of its Environmental Management Systems (EMS), Mazda conducts environmental education—covering topics such as environmental issues, trends inside and outside Japan, the Company’s environmental initiatives, and environmental conservation activities at different workplaces—for all employees once a year, and for EMS leaders twice a year. Mazda also encourages employees to obtain environment-related public qualifications. The Company offers support for employees working toward these qualifications, including financial support through the Mazda Flex Benefit System.*1 In addition, with the goal of raising environmental awareness, Mazda ran a questionnaire that asked employees about the zero-carbon actions they are taking in their daily activities. By explaining zero-action actions, the Company was able to share the latest information with its employees.

*1 This is a selective benefit system. Individual employees can seek the type of assistance that most suits them by choosing from a number of preset benefit options up to the points they have.

Qualifications that Employees Are Encouraged to Obtain:

- Energy attorney
- Head supervisor of pollution control
- Supervisor of air and water pollution control (Class 1 to 4)
- Supervisor of noise- and vibration-related pollution control
- Supervisor of dust and particulate pollution control (Specified, General)
- Supervisor of dioxide pollution control
- Special managing supervisor in charge of industrial waste disposal
- Environmental Society Test (= Eco Test)
- EMS inspector
- Internal environment auditor
- Environment measurer
- Construction environment hygiene control engineer

Environmental Education Structure



Routine Environmental Activities

Employees are working on environmentally friendly initiatives through their individual daily tasks.

Reducing Paper Use

Mazda continually makes efforts to considerably reduce the amount of paper used for office work through the digitization of documents, ledger sheets, and other forms, as well as through the use of projectors and monitors at meetings, etc. As part of its recycling efforts, the Company also reuses waste paper (shredder dust) as packaging material for shipping parts, and is increasing efforts to separate the collection of waste paper by type during disposal.

Reducing Energy Use

Through regular initiatives, including purchasing of low-power-consumption office equipment and furniture, and turning off

lights and computers when they are not in use, Mazda makes continual efforts to reduce energy use. Furthermore, Mazda implements a “Cool Biz” program during the summer season every year, setting internal room temperatures at 28°C (82.4°F) on a standard basis. During the winter season when electricity consumption is particularly high, the Company implements a “Warm Biz” program, setting internal room temperatures at 20°C (68°F) on a standard basis.

Eco Walk Commuting Program

In order to raise employees’ environmental consciousness and encourage them to take better care of their health, employees who walk two kilometers or more as part of their daily commute to work are rewarded with an addition of 1,500 yen per month to their commuting allowance.

Light-Down Campaign

■ Mazda Light-Down Campaign

To raise environmental awareness, Mazda and its domestic Group companies participated in the Light-Down (i.e., lights-off) Campaign, in which they turned off their signboards and indoor lighting.

These participating sites shut off lighting for two hours from 20:00 to 22:00 on June 21 (summer solstice) and July 7 (Tanabata, or the Star Festival), 2022. This campaign saved about 9 MWh of electricity and around 4 tons of CO₂ emissions.

(No. of participants) Mazda Motor Corporation: 14 sites

Domestic Group companies: 963 sites of 270 companies

This campaign started in 2011 with turning off lights at Mazda’s six sites. The 12th event, in 2022, was the biggest yet.

■ WWF’s Earth Hour 2023

Mazda and its domestic Group companies supported and participated in Earth Hour 2023 organized by the World Wildlife Fund (WWF), which is the world’s largest global warming campaign.

For one hour from 20:30 to 21:30 on March 25, 2023, the participating sites turned off signboards and indoor lighting.

(No. of participants) Mazda Motor Corporation: 12 sites

Domestic Group companies: 701 sites of 127 companies

Mazda also participated in the Earth Hour promotional event held at the Hiroshima Peace Memorial Park as a partner company and streamed the event online.

 For details of the Light-Down Campaign, see Sustainability “Earth: Related Information” (Japanese only)

Environment-Related Accident Emergency Drill and Prevention Campaign

■ Emergency Drill to Prevent Marine Pollution

Mazda’s plants are located close to the seas and has a high environmental risk of oil leakage from domestic vessels, etc. For the oil leakage on the sea, the Company has conducting drills based on realistic scenarios to extend oil fence to prevent the spread of oil and collecting oil floating on the sea surface and confirm the effectiveness. In FY March 2024, Mazda resumed drills, after having previously been cancelled due to the COVID-19 pandemic.

■ Campaign for Oil Spill Prevention and Traffic Safety

Jointly with Mazda Logistics Co., Ltd. and several truckload transportation companies, Mazda Motor Corporation conducts an awareness-raising campaign to prevent oil spills on roads during vehicle delivery and improve traffic safety awareness. In this campaign, which are held twice a year, awareness-raising leaflets are distributed to drivers of delivery trucks to the Hiroshima Plant and the Hofu Plant. In doing so, the Company strives to improve such drivers’ awareness of the environment and safety and create a system that ensures that employees can make a quick and appropriate response in the event of an accident. As part of prevent oil leakage from occurring, Mazda established a database to visualize maintenance status of each vehicle and information on past environmental defects and allows to timely send information alert message to transportation companies. The system began operation in March 2021. Initially around 38% of vehicles that deployed the MILK-RUN System*1 adopted the system. As of the end of FY March 2023, around 65% vehicles adopted the system. In future the Company is striving to extend the system to more suppliers to prevent oil leakage from occurring.



Campaign for Oil Spill Prevention and Traffic Safety

*1 A method in which a single truck visits multiple suppliers to collect supplies. Named after truck routes in rural areas, which picked up milk from each farm.