



Mazda Supplier Sustainability Guidelines

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1. Introduction

In recent years, corporate performance has increasingly been measured by the triple bottom line of economic, social, and environmental factors. In the face of such societal expectations for sustainability, we at Mazda are committed to making far-reaching efforts for sustainability at home and abroad, while complying with national and regional regulations, including labor laws such as the prohibition of child labor and forced labor, and respecting international norms including the Charter of Corporate Behavior issued by Keidanren (Japan Business Federation).

In the area of purchasing, we established the following “Basic Purchasing Philosophy” in 1994 to define our relationship with our suppliers and how we make contributions to the society through business.

<Basic Purchasing Philosophy>

In the spirit of co-existence and co-prosperity, we shall develop open and fair business relation with our suppliers and strive together for study, creation, and improved competitiveness to achieve long-term stability and growth, thereby contributing to advancement of the society and economy.

Under this philosophy, we provide open business opportunities to suppliers around the world for business entry, and strive to develop fair, equitable, and mutually beneficial business relation with suppliers. Furthermore, we implement holistic evaluation encompassing compliance structure, environmental management, and other CSR initiatives, on top of product quality, engineering expertise, price, delivery performance, and operational information of daily business, whereby we seek to further enhance business practice.

As part of such efforts, we published the Mazda Supplier CSR Guidelines in July 2010, which sets out our basic approach to CSR, summarizes the key areas and issues related to CSR in the supply chain, and calls on suppliers to take initiatives to comply. After three revised editions were released, we decided to update it in line with our basic policy on sustainability and change its title to the Mazda Sustainability Guidelines.

We ask our suppliers to familiarize themselves with the aims of this Guidelines, continue promoting actions within each company, and cascade the Guidelines to their suppliers to ensure that robust actions are taken throughout our supply chain.

General Manager
Purchasing Division
Mazda Motor Corporation

This Guidelines has been developed with reference to Charter of Corporate Behavior issued by Keidanren (Japan Business Federation), CSR Guidebook of Japan Auto Parts Industries Association (JAPIA) and CSR Guidelines of Japan Electronics and Information Technology Industries Association (JEITA), and comply with “Supplier CSR Guidelines” of Japan Automobile Manufacturer Association (JAMA).

2. Sustainability

【Basic Policy on Sustainability】 (Established December 2021)

Based on our Corporate Vision*, the Mazda Group strives to meet the needs and expectations of all stakeholders in good faith, to achieve sustainable growth as a company through our global business activities, and to contribute to the sustainable development of society by using our strengths to solve various social problems.



Earth

Through environmental conservation initiatives, we aim to prevent global warming, realize a sound material-cycle society, and create a sustainable future in which people and vehicles coexist with a bountiful, beautiful earth.



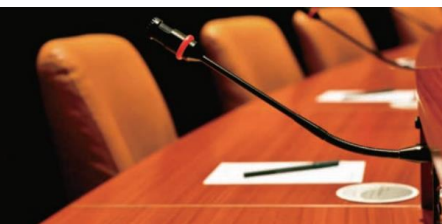
People

Respecting diverse talents and values, Mazda understands that individuals working together each play an active role in their own way. This leads to innovation in products and services that offer true Joy of Driving and emotional enrichment to our customers.



Society

We will realize vehicles and a society where all people, wherever they live, can enjoy unrestricted mobility that offers safety and security and contributes to enriching lives and the sustainable development of local communities.



Management

While working to build a good relationship with all stakeholders, we will continue our efforts to enhance corporate governance by ensuring compliance and making fair, transparent, prompt, and decisive decisions.

Mazda Human Rights Policy (Established August 2023)

Mazda believes that respect for human rights is fundamental to its corporate activities and has maintained a stance and commitment not to tolerate any violation of human rights in its corporate activities both within and outside the company. This includes discrimination, prejudice or harassment based on race, nationality, ethnicity, creed, gender, socioeconomic status, family origin, age, mental or physical abilities, sexual orientation, gender identity or other personal attributes.

Mazda has formulated this human rights policy based on this principle, and the entire Mazda Group will work together to promote initiatives for respecting human rights as well as improving respect for human rights. The Mazda Human Rights Policy is positioned as the overarching policy regarding human rights in Mazda's business activities and applies to all people working at Mazda.

To ensure the sustainability of its business and society, Mazda is committed to enriching life-in-motion for those we serve and delivering exhilarating experiences to customers by making products, creating connections, and developing human resources that put people first.

◆ Please refer to our website (URL below) for specific details of the Mazda Human Rights Policy.
https://www.mazda.com/globalassets/ja/assets/sustainability/policy/human_rights_policy_j.pdf

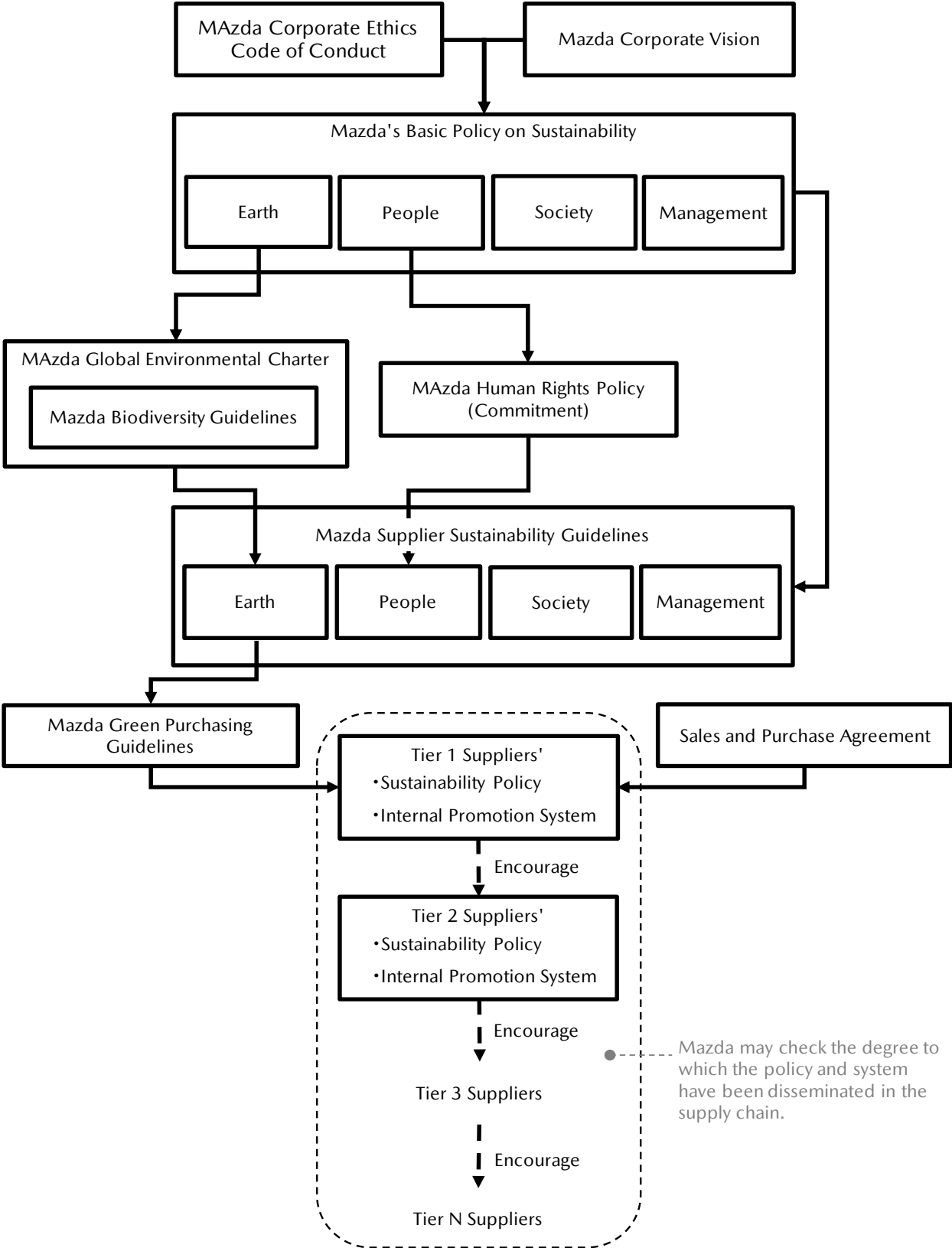
Mazda's Responsible Mineral Sourcing Policy

There are concerns that the mining of minerals such as tin, tantalum, tungsten and gold in conflict or high-risk areas can lead to serious human rights and environmental problems, including child and forced labor. As a company that manufactures cars from a variety of raw materials, we recognize that it is our social responsibility to avoid contributing directly or indirectly to these human rights and environmental issues through our sourcing activities, and we will promote such efforts throughout our supply chain.

< Due Diligence for Responsible Supply Chains of Minerals from Conflict and High Risk Areas >

- Mazda Supplier Sustainability Guidelines reflects our responsible mineral sourcing policy and require our entire supply chain to commit to the same efforts as Mazda.
- Due diligence is conducted in accordance with the Organization for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict and High-Risk Areas, using the Responsible Minerals Initiative (RMI) survey form. It goes back into the upstream supply chain to identify and assess risks in collaboration with our Tier 1 suppliers.
- When risks are identified, our relevant internal departments and suppliers discuss and take actions, including exploring alternative sourcing options, to avoid such risks.
- We verify that the smelters/refiners identified in our upstream supply chain investigation have undergone and follow RMI's Responsible Minerals Audit Process (RMAP). In the event of non-compliance, we will ask our suppliers to exclude the smelter/refiner from their supply chain.
- As appropriate, we will post details of our initiatives on our sustainability website.

Overview of Mazda's supply chain sustainability initiatives



3. Areas and Items Covered by Supplier Sustainability Guidelines

(1) Environment

1) Environment

- Environment management
- Greenhouse gas reduction
- Air, water, and soil pollution prevention
- Resource conservation and waste reduction
- Chemical management
- Ecosystem conservation

(2) People

1) Respect for people (Human rights & Work)

- Abolition of discrimination
- Respect for people
- Prohibition of child labor
- Prohibition of forced labor
- Non-use of conflict minerals or other raw materials that may cause social issues
- Wages
- Working Hours
- Dialogue with employees
- Safe and healthy working environment

2) Customer Satisfaction (Safety & Quality)

- Products and services that meet the needs of consumers and consumers
- Sharing appropriate information about products and services
- Safe products and services
- Quality products and services

(3) Society

1) Social contributions

- Contributions to local communities

(4) Management

1) Compliance

- Regulation compliance
- Competition Law compliance
- Promotion of fair business practices
- Corruption prevention
- Confidential information management and protection
- Export management
- Intellectual property protection

2) Information Disclosure

- Information disclosure to stakeholders

(1) Earth

1) Environment

○ Environment management

We comply with regulations in each country and region as well as establish, manage, and continuously improve company-wide environment management systems to promote far-reaching environmental activities*.

○ Greenhouse gas reduction

To help prevent global warming we promote greenhouse emission reduction by controlling discharge volume in our business operations. At the same time, we promote efficient energy use.

○ Air, water, and soil pollution prevention

We prevent environmental pollution by observing air, water, and soil pollution control regulations in each country and region, as well as by undertaking continuous monitoring and reduction of pollutants.

○ Resource conservation and waste reduction

We reduce final waste disposal volume by observing regulations on waste disposal and recycling and by efficient use of resources.

○ Chemical management

We safely manage chemicals that could cause environmental pollution.

We do not use chemicals prohibited by the law in each country and region in our products for the country and the region.

We do not use prohibited chemicals in our manufacturing process.

We measure the amount of emissions of chemical substances designated by the laws in each country and region and report it to the relevant government authority in compliance with the laws.

○ Ecosystem conservation

We strive to preserve ecosystem and biodiversity in our business and parts production processes, including raw material procurement.

* Mazda pays close attention to environment as we conduct business activities in individual areas in line with “Mazda Global Environment Charter” which is fundamental philosophy of the Mazda group. Further, “Mazda Green Purchasing Guideline” is established to reduce environmental burdens throughout our supply chain.

(2) People

1) Respect for People (Human Rights & Work)

○ Abolition of discrimination

We never discriminate people in any aspect of employment*¹ on the ground of their race, ethnic group, nationality, religion, or gender.

○ Respect for people

We never tolerate any form of harassment in workplace on the ground of race, ethnic group, nationality, religion, or gender.

○ Prohibition of child labor

We never tolerate child labor under legal employment age in each country and region.

○ Prohibition of forced labor

We never impose forced labor and ensure that all work shall be voluntary, and employees shall be free to terminate their employment.

○ Non-use of conflict minerals² and other raw materials that may cause social issues

We stay on top of the issue of raw materials that contribute to inhumane acts and take appropriate actions to avoid using such materials.

○ Wages

We respect regulation in each country and region regarding financial compensation, such as minimum wage, overtime work, payroll deduction, and piece wage.

○ Working hours

We comply with regulations in each country and region for employees' work hours (including overtime), holidays, annual paid leaves, and others.

○ Dialogue with employees

We maintain sincere dialogue with employee representatives and/or with employees.

We recognize and respect the right of employees to freedom of association or non-association under the legislations in each country and region.

○ Safe and healthy working environment

We place top priority on safety and health of our employees in their workplace and strive to prevent accidents and hazards.

*¹ Job application, recruitment, promotion, wages, dismissal, retirement, giving an assignment, punitive action, etc.

² Ex. Conflict Minerals: Minerals and their derivative metals designated by Financial Regulatory Reform Article 1502 that are sourced from and used as financial source of armed groups in the Democratic Republic of Congo or the surrounding countries (Regulated minerals: tantalum, tin, tungsten, gold)

~3. Areas and Items Covered by Supplier Sustainability Guidelines ~

2) Customer Satisfaction (Safety & Quality)

○ **Products and services that meet the needs of consumers and customers**

We develop and provide socially useful products*, understanding the needs of consumers and customers.

○ **Sharing appropriate information about products and services**

We provide appropriate information regarding products and services to consumers and customers.

○ **Safe products and services**

We produce and provide products and services that meet safety regulations in each country and region.

○ **Quality products and services**

We establish and manage company-wide processes to secure excellent quality.

* "Socially-useful products": Products that are easy to use regardless of user's age, gender, or physical disability; or that are friendly to environment with energy-saving, resource-saving, and environment protection functions.

(3) Society

1) Social Contributions

○ Contributions to local (communities)

We make social contributions proactively and continuously at home and abroad to meet the needs of each region, thereby fulfilling responsibilities as a good corporate citizen.

(4) Management

1) Compliance

○ Regulation compliance

We put in place policies, structures, and systems, such as action guidelines, reporting system and education programs, and comply with regulations in each country and region.

○ Competition Law compliance

We comply with Competition Law in each country and region, and we do not engage in private monopoly, unfair restraint of trade (e.g., cartel, bid rigging), fraudulent trading and abuse of superior bargaining position.

○ Promotion of fair business practices

We conduct fair and equitable business in compliance with laws and corporate ethics, recognizing that it is our social responsibility.

○ Corruption prevention

We observe laws in each country and region upon making political donations and contributions, to build transparent and fair relation with political organizations and the government.

We will not offer or accept any entertainment, gift, or monetary compensation to or from business partners for the purposes of gaining or maintaining unfair benefit or preferential treatment.

○ Confidential information management and protection

We ensure personal information of our customers, third parties and our employees as well as confidential information of our customers and third parties are acquired in a legitimate manner, placed under strict control, and used in the appropriate extent, to protect such information.

○ Export management

We follow appropriate procedures to control exportation of technology and products regulated by laws in each country and region.

○ Intellectual property protection

We protect intellectual property rights owned by or belong to our company.

We will not engage in illegal acquisition, illegal use, or infringement of third-party intellectual property rights.

2) Information Disclosure

○ Information Disclosure to Stakeholders

We disclose information on financial status and results as well as business activities to our stakeholders in timely and appropriate manner. We make efforts to maintain and develop mutual understanding and trustful relationship through open and fair-minded communication.

4. Requests to Suppliers

We implement and track progress on sustainability initiatives categorized in the aforementioned four areas based on the perspectives outlined below. We promote actions to fulfill our key responsibilities as a business partner to our suppliers, i.e., ensuring fair and equitable business practices, providing open opportunities for business entry, soliciting and supporting suppliers' sustainability efforts, and sharing appropriate information.

We ask our suppliers to follow suit with full understanding of this Guidelines and its objectives. We also ask our suppliers to cascade their own CSR/sustainability policies and this Guidelines to their suppliers to ensure that robust actions are taken throughout our supply chain.

- **Regulations**
Stay abreast of law, rules, and regulations to comply with
- **Roles & Responsibilities**
Prescribe clearly in rules which organization and/or who has responsibilities
- **Prevention**
Establish rules to define policies and structures ensuring no CSR violation within the company, where such rules do not exist.
- **Raising Awareness**
Implement regular training and education for employees
- **Actual Status**
Implement regular internal survey and understand the actual status at all time

We ask our suppliers to confirm actual conditions and status of each sustainability area and item in their company from the above perspectives, when conducting self-assessment. Any compliance violation identified as a result of the self-assessment must be reported to the relevant contact person within Mazda with countermeasures. We will review the effectiveness and progress of the countermeasures. We may, among other actions, temporarily suspend business with the supplier until appropriate corrective action is completed.

We may visit suppliers' domestic and overseas sites to verify the implementation and content of the self-assessment and compliance with this Guidelines. This may take the form of a third-party audit, if necessary.

We may also visit suppliers' subcontractors' sites to verify the extent to which this Guidelines is being followed throughout our supply chain.

As proof of agreement with this Guidelines, we ask our suppliers to submit the attached "Mazda Supplier Sustainability Guidelines Consent Form". The submitted consent form will remain valid in the event the Guidelines is revised. For questions regarding revisions to this Guidelines, please contact the relevant contact person in Mazda.

5. Revision History

July 2010	First Edition
July 2013	Added a statement on conflict mineral to the section “Respect for People (Human Right/Work”
February 2016	Updated corporate vision
December 2018 Compliance	Added promotion of fair business practices as an item under the section of
May 2024	<ul style="list-style-type: none">•Re-edited content in line with the basic policy on sustainability•Added the Mazda Human Rights Policy, which clarifies Mazda's responsibilities in its efforts to respect human rights•Added Mazda's Responsible Mineral Sourcing Policy to ensure transparent sourcing of minerals while respecting human rights•Added a requests to suppliers for clarification

May 2024
Purchasing Division
Mazda Motor Corporation