



# CORPORATE PROFILE/ SUSTAINABILITY REPORT (Digest Version) 2021





## CORPORATE VISION

We love cars and want people to enjoy fulfilling lives through cars.

We envision cars existing sustainably with the earth and society,  
and we will continue to tackle challenges with creative ideas.

1. Brighten people's lives through car ownership.
2. Offer cars that are sustainable with the earth and society to more people.
3. Embrace challenges and seek to master the Doh ("Way" or "Path") of creativity.

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**Editorial Policy**

To satisfy the needs of readers of both the Mazda Corporate Profile and the Mazda Sustainability Report, this report presents Mazda's corporate overview as well as Mazda's approach to and initiatives for addressing social issues to be resolved through its business.

**Period Covered**

The report primarily covers the period from April 2020 through March 2021, although some activities after April 2021 are included.





## Resolving Issues Facing the Earth, People and Society to Achieve Further Growth

Mazda Motor Corporation would first like to offer our sincerest condolences to the families and loved ones of those whose lives were taken away by the novel coronavirus (COVID-19). At the same time, our deepest sympathy goes to all those affected by the global pandemic, which continues to spread around the world. We would also like to express our profound respect to all of the people who are working every day to combat the virus, including healthcare professionals and members of the central and local governments.

The COVID-19 pandemic has brought about significant changes in our social awareness and values. In today's world, we are encouraged to address various social issues, including global environmental problems and human rights issues, by taking ownership of these challenges. As a corporate citizen, Mazda has strengthened its commitment to resolving social issues through its business activities.

### Contributing to Realizing a Sustainable Society

In 2021, Mazda formulated its Basic Policy on Sustainability and clarified the eight sustainability themes to be addressed by the Company from now on. This basic policy declares that Mazda will contribute to achieving the SDGs and grow together with society by implementing initiatives to brighten people's lives through cars that are sustainable with the earth and society, as set out in our Corporate Vision. We will endeavor to resolve issues in the respective areas of the earth, people and society. Thereby, contributing to the realization of a sustainable society.

### Earth: Endeavor for Carbon Neutrality by 2050

One of the current environmental challenges is to achieve carbon neutrality by 2050. This endeavor requires us to reduce CO<sub>2</sub> emissions throughout a vehicle's life cycle, from when it is manufactured, through to when it is shipped out, used and finally recycled/repurposed. It also requires us to switch from traditional energy sources to renewable energies at each step of these processes. To this end, it is vital to ensure that various stakeholders, including not only companies but also local governments, work in close collaboration to share the issues and solutions and promote carbon neutrality. In Japan, Mazda has participated in the Carbon Neutral Electricity Promotion Subcommittee, which was set up as one of the special subcommittees under the Chugoku Region Carbon Neutrality Promotion

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Council, established by the Chugoku Economic Federation. In cooperation with member partners, the Company will henceforth discuss how to expand the supply and demand of electricity derived from renewable sources. Overseas, we will help promote the spread of renewable energies in line with the policies of the regions in which our sites are located.

### **People: Improving Employee Job Satisfaction**

The challenge here is to improve employee job satisfaction. Changes in recent years have brought many new and sudden uncertainties for companies. Under such circumstances, in order for companies to sustain growth and accomplish their management strategies, it is becoming more important to secure a diverse range of human resources and create a working environment that enables employees to maximize their capabilities.

Mazda recognizes that people are its most important resource. Labor and management are making concerted efforts to ensure that individual employees can enjoy their work by exercising their potential to the fullest extent possible. The Company also understands the significance of fostering a corporate climate that respects diverse talents and values, and we consider diversity and inclusion to be key elements. For example, in January 2021, Mazda Motor Corporation joined the Valuable 500, an international initiative to promote active inclusion of people with disabilities.

### **Society: Realizing a Motorized Society Free From Traffic Accidents**

Here, Mazda aims to realize a motorized society that is free from traffic accidents. This is a mission Mazda should fulfill not only as a good corporate citizen but also as a vehicle manufacturer. The Company has carried out research on and development of its safety technologies in keeping with Mazda Proactive Safety, our safety philosophy based on understanding, respecting and trusting the driver. This philosophy aims to support drivers in driving safely and help to prevent or reduce the damage resulting from an accident if it were to occur due to a driver's mistake. In 2017, we declared the Mazda Co-Pilot Concept for our human-centered advanced driving support technology. It is intended to develop a driving support system that offers peace of mind not only to drivers but also to their family and those around them. We are also hopeful that, if the system detects that the driver has suffered a sudden health complication rendering them unable to drive, which could happen to anyone, it will reduce the risk of accidents and the damage to the driver as well as the surrounding vehicles and passersby. We are going to commercialize this technology and plan to introduce its first stage, called "Mazda Co-Pilot 1.0," in the new SUV models to be launched in 2022.

### **Continuing to Embrace Challenges toward Becoming a Company That Can Truly Be Trusted**

Under the Medium-Term Management Plan that was put in motion in 2019, we regarded the past three years as a phase for foundation-building, during which Mazda has steadily promoted the initiatives to reinforce its management base as planned, despite the impact of the COVID-19 pandemic. Now we are moving into the phase of "strong growth." To achieve further growth, the Company will continue endeavoring to resolve issues regarding the earth, people and society by accelerating initiatives in tandem with like-minded partners, based on the technologies and processes that we have cultivated thus far.

Mazda will inspire people through cars while emphasizing dialogues with its stakeholders around the world. We would like to ask for your continued support and hope to meet your continued expectations of Mazda, which remains committed to tackling all the challenges we face.



Akira Marumoto  
Representative Director, President and CEO  
Mazda Motor Corporation

## Basic Policy on Sustainability

While striving to sincerely meet the needs and expectations of all stakeholders under our corporate vision, Mazda aims for sustainable growth as a company through our global business activities. We are determined to contribute to the sustainable development of society through efforts to resolve various social issues by making the most of our strengths.



### 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 driving pleasure 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 peace of mind 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.

# Sustainability

## Contribution to Resolving Social Issues through Business (Review of Materiality)

Mazda has worked to identify the social issues that the Mazda Group should address while reflecting the external opinions of experts and various other stakeholders and taking into account opinions from both management and the relevant divisions. In July 2016, Mazda identified and disclosed the key issues (materiality). In subsequent years, which saw growing worldwide interest in environmental, social, and governance (ESG) issues, expectations from stakeholders became more specific and the social environments surrounding the Mazda Group underwent some changes. Given these circumstances, in FY March 2018, the Company started to review materiality. In FY March 2021, Mazda identified the social issues that the Mazda Group should resolve through its business and clarified the relationship between these issues and the Sustainable Development Goals (SDGs) and targets adopted by the United Nations.

## Materiality Review and Identification Process

In reviewing materiality, Mazda took into account two perspectives. One is the stakeholders' perspective in reference to the SDGs adopted by the United Nations and the details of surveys conducted by global ESG rating organizations. The other perspective is the importance to the Mazda Group, for instance, business initiatives toward realizing the Medium-Term Management Plan Revision<sup>\*1</sup>, which was announced in November 2020.

### Step 1 Extraction of social issues

To extract social issues from the stakeholders' perspective, Mazda analyzed and clarified what investors and the global society expect of the Company by looking into the details of surveys conducted by global ESG rating organizations. As for the importance to the Mazda Group, its specific issues described in the Medium-Term Management Plan, "Sustainable Zoom-Zoom 2030," and Securities Report were analyzed so as to select the social issues.

### Step 2 Evaluation of the impact / prioritization of social issues

Mazda identified potential priority issues to be tackled by evaluating the social issues selected in Step 1 according to two axes: Impact on stakeholders<sup>\*2</sup> and impact on the Mazda Group.<sup>\*3</sup> The Company also clarified the themes to be addressed from a long-term viewpoint by correlating with the 169 targets of the SDGs.

### Step 3 Validation

To validate the priorities of themes identified in Step 2, consultations were held with management, which approved the priorities.

### Step 4 Disclosure of materiality

A specific action plan is currently being prepared to ensure steady implementation of the materiality themes identified in Steps 1-3 and follow up on the progress. The materiality that Mazda recently identified and an action plan that will be formulated henceforth will be disclosed to stakeholders. By periodically evaluating and revising this materiality and plan, Mazda will develop the PDCA (plan-do-check-act) process.

From now on, Mazda will carry out initiatives to address the eight themes of materiality that the Company has identified.

Initiatives to address the issues regarding "Earth"	Initiatives to address the issues regarding "People"	Initiatives to address the issues regarding "Society"
<ul style="list-style-type: none"> <li>• Endeavor for carbon neutrality by 2050</li> <li>• Resource circulation</li> </ul> 	<ul style="list-style-type: none"> <li>• Contribution to people's mental wellness</li> <li>• Improving employee job satisfaction</li> </ul> 	<ul style="list-style-type: none"> <li>• Realizing a motorized society free from traffic accidents</li> <li>• Creating a system that enriches people's lives</li> </ul> 
Common initiatives to address the issues regarding "Earth," "People," and "Society"		
<ul style="list-style-type: none"> <li>• Quality improvement</li> <li>• Exploring partnerships for "co-creation with others"</li> </ul>		

<sup>\*1</sup> For details, refer to the following URL:

<https://www.mazda.com/en/investors/policy/mid-term/>

<sup>\*2</sup> Expectations for the Mazda Group and the automotive industry

<sup>\*3</sup> Risks and opportunities for the Mazda Group



## Earth

## Endeavor for Carbon Neutrality by 2050

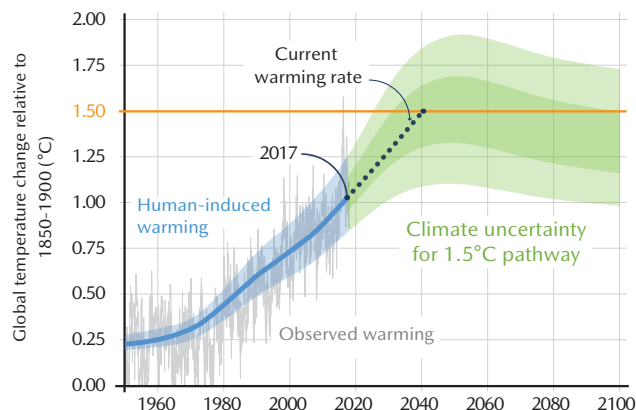
### Recognizing Social Issues

The average global temperature has already risen by about 1.0°C from pre-industrial levels. The Special Report on Global Warming of 1.5°C published by the Intergovernmental Panel on Climate Change (IPCC) states that if global warming continues to increase at the current rate and the rise in temperature far exceeds 1.5°C, there will be a significant impact on nature and human activities. The Special Report therefore points out the need to achieve net zero global carbon emissions by around 2050 in order to limit the temperature rise to 1.5°C.

In response to the above forecast, 124 countries (including Japan) and one region\* have declared their intention to achieve carbon neutrality by 2050, with nations around the globe stepping up their measures to design carbon pricing and other mechanisms and invest in the development of energy technologies. In the industrial world, initiatives have been accelerated to change the energy and industrial structures, promote decarbonization throughout the supply chain based on a life cycle assessment (LCA), and encourage the effective use of decarbonization/low-carbonization technologies to reduce greenhouse gas emissions.

\*As of January 20, 2021

Average anthropogenic temperature increase since the industrialization



"Frequently Asked Questions", Coordinating Editors: Sarah Connors, Ros Pidcock, p8, [https://www.ipcc.ch/site/assets/uploads/sites/2/2019/05/SR15\\_FAQ\\_High\\_Res.pdf](https://www.ipcc.ch/site/assets/uploads/sites/2/2019/05/SR15_FAQ_High_Res.pdf)

### Mazda's Approach to Resolving Issues

#### Reasons for Addressing Social Issues

As for the trends regarding vehicles around 2030, Mazda predicts that the fuel economy of vehicles as a whole will be further improved through the combination of highly efficient combustion engines, electric device technologies, highly efficient transmission systems and reduced body weight. Mazda also foresees technological innovation accelerating in accordance with fuel diversification. In addition, electric vehicles will be selected more often in regions where electricity can be generated with renewable energy or other cleaner sources. Energy decarbonization/low-carbonization and related technologies will be further promoted, which will intensify society-wide efforts to reduce environmental impact toward the achievement of carbon neutrality by 2050.

As a proportion of Japan's total CO<sub>2</sub> emissions, the entire transport sector contributes approximately 20%, with the automotive industry accounting for about 90% of CO<sub>2</sub> emissions from the sector. Mazda understands that, as a company belonging to the automotive industry, it has a duty to reduce CO<sub>2</sub> emissions with the aim of curbing global warming. In order to preserve our beautiful planet for future generations, the Company will advance its initiatives toward the realization of a sustainable mobility society.

#### Approach to Resolving Social Issues

Mazda announced that it will endeavor to achieve carbon neutrality by 2050.

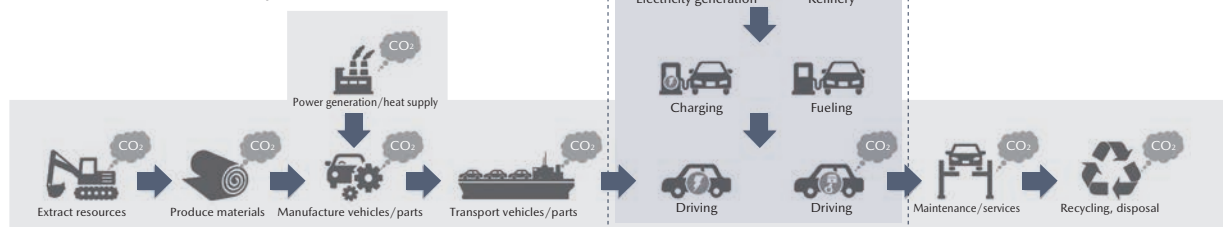
To accomplish this objective, the Company recognizes the importance of reducing CO<sub>2</sub> emissions throughout a vehicle's life cycle. For this reason, Mazda considers it necessary to provide multiple solutions that enable the Company to offer various power unit choices that adapt to each region's energy sources and power generation methods, from both the perspective of well-to-wheel and the perspective of life cycle assessment (LCA). In manufacturing and logistics, the Mazda Group strives for energy value maximization and energy diversification, aiming to achieve reductions in the global total CO<sub>2</sub> emissions from plants/offices and logistics operations. The Group will continue these efforts, which must be made throughout the entire supply chain, with the cooperation of local governments and other industries.\*

\* For details of the activities carried out by the Carbon Neutral Electricity Promotion Subcommittee in the Chugoku Region, refer to the following URL: <https://newsroom.mazda.com/ja/publicity/release/2021/202111/211130a.pdf> (Japanese only)

#### Mazda's perspective: "Well-to-Wheel" and "LCA"

##### Life-Cycle

Vehicle (product)-related cycle from resource extraction to disposal



##### Well-to-Wheel

Fuel-related cycle from extraction to consumption during driving

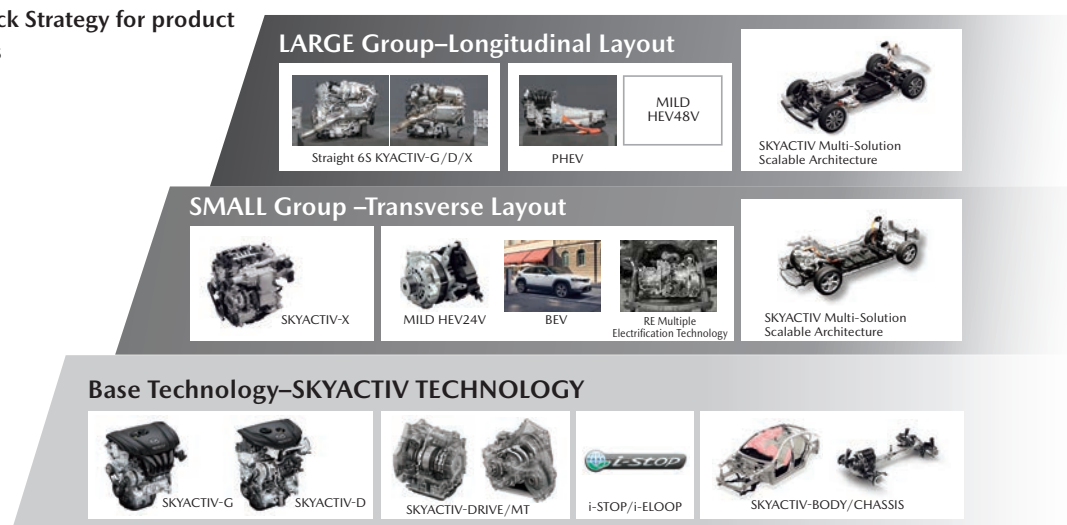


## Mazda's Initiatives

### Accumulation of technological assets in line with Mazda's Building Block Strategy and their utilization for highly efficient manufacturing

Mazda has consistently followed its Building Block Strategy to efficiently deliver more superior technologies by building up electrification technologies in stages while refining fundamental technologies, including engines, transmissions and vehicle bodies. Mazda is continuously enhancing its internal combustion engines and electrification technologies as part of the "Skyactiv Multi-Solution Scalable Architecture." Based on this architecture, the Company will deliver multiple electrification solutions to meet various customers' needs, environmental regulations and the electric power generating infrastructure in each market. Mazda expects that 100% of its products will have some level of electrification, and its ratio of EVs will account for 25% of its models by 2030. In addition, the Company plans to introduce its unique EV platform "Skyactiv EV Scalable Architecture" in 2025 for EVs with various vehicle sizes and body types. Based on these strategies, Mazda will refine its highly efficient development methods, namely Common Architecture, Bundled Planning and Model Based Development, to enrich its technological assets for the full-scale electrification era in collaboration with other companies.

### Building Block Strategy for product technologies



## TOPICS

### Installation of Solar Power System at Hiroshima Plant

Mazda has been actively introducing and utilizing green electricity in its constant endeavors to achieve carbon neutrality by 2050. As part of its efforts to promote green manufacturing lines and offices at factories, the Company has installed solar panels at its plant in Hiroshima. In July 2021, Mazda initiated operation of the solar power generation system, which boasts an output of 1.1 MW of electricity. The power generated by the solar panels is used to charge the batteries of MX-30 EV models produced at the plant and for other manufacturing processes there.

For the state of power generation, refer to the panels exhibited at the Mazda Museum and the following URL:  
[https://www.mazda.com/globalassets/ja/assets/csr/pv\\_system/pv\\_generated\\_energy.pdf](https://www.mazda.com/globalassets/ja/assets/csr/pv_system/pv_generated_energy.pdf) (Japanese only)



Hiroshima Plant's rooftop solar panels



MX-30 EV battery charging stations

## Contribution to the SDGs

### Goals and Targets



- (3.9) Reduce illnesses and death from hazardous chemicals and pollution



- (7.2) Increase global percentage of renewable energy  
 (7.3) Double the improvement in energy efficiency.  
 (7.a) Enhance international cooperation to facilitate access to clean energy research and technology, and promote investment in clean energy technology.



- (9.4) Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.



- (11.6) Reduce environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.



- (13.2) Integrate climate change measures into national policies, strategies and planning.

## Earth

## Resource Circulation

### Recognizing Social Issues

#### Resource Recycling for Materials

In the context of a growing world population, the global community is facing challenges due to an increase in demand for resources and the worsening environmental issues, including the rising amount of waste. To address these challenges, it is necessary to transition to a circular economy that considers medium- and long-term outlooks, but also to promote the conventional 3R (reduce, reuse, and recycle) initiatives in all economic activities. A circular economy intends to generate new value while reducing resource inputs and consumption and making effective use of social stock.

Plastic recycling is indispensable in achieving a circular economy. In Japan, currently an estimated 60% of plastic waste goes through thermal recycling, which means that the waste is combusted in incinerators to produce energy. In Western countries, however, usually combustion is not included in the concept of recycling. Also, a minute amount of dioxin is generated during the process of combustion. For these reasons, companies are required to contribute to the circular use of resources (material recycling/chemical recycling) or the use of biomass plastics.

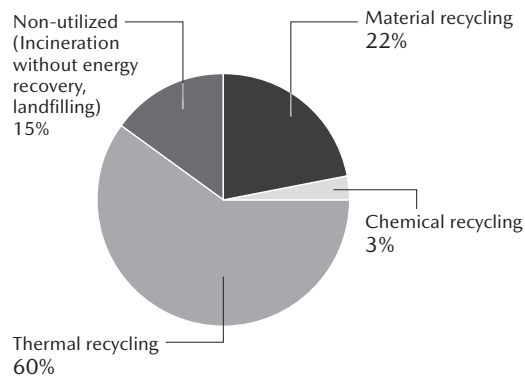
#### Resource Recycling for Water

Of the total volume of water existing on the planet, only 0.01% is useable by humans. This small amount of water is not distributed around the world, so a number of countries and regions face high water stress\*.

If the earth's temperature continues to increase due to climate change in the future, the sea levels will rise owing to the thermal expansion of the oceans and melting ice caps. This will result in rivers being contaminated with salt water, a rise in groundwater levels and other disasters that will reduce the amount of freshwater available to humans. Meanwhile, the United Nations World Water Development Report 2018 states that by 2050, global demand for water is expected to increase by 20-30% from 2010, driven by population growth, economic development and changing consumption patterns, among other factors. Companies must address the issues regarding global water resources in order to conduct sustainable business activities.

\* Term that refers to the ability, or lack thereof, to meet human and ecological demand for water

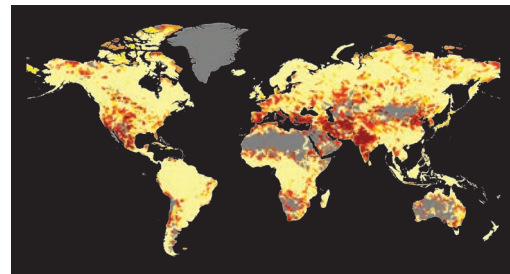
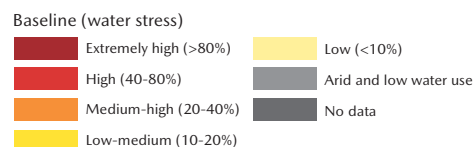
#### Breakdown of plastic waste recycling by type (Japan)



The above pie chart was created by Mazda, based on "An Introduction to Plastic Recycling 2021" published by the Plastic Waste Management Institute.

*An Introduction to Plastic Recycling 2021*, edited by Plastic Waste Management Institute, 2021, p7

#### Water stress around the world



"17 Countries, Home to One-Quarter of the World's Population, Face Extremely High Water Stress", World Resources Institute/Aqueduct, <https://www.wri.org/insights/17-countries-home-one-quarter-worlds-population-face-extremely-high-water-stress>

## Mazda's Approach to Resolving Issues

#### Reasons for Addressing Social Issues

Around 2030, Mazda forecasts progress in various initiatives to realize a recycling-oriented society from the perspective of natural capital. This will be achieved through using resources without any losses, promoting the 3Rs to encourage the reuse of water, plastic and other resources, and establishing resource circulation systems, such as a circular economy. Meanwhile, a significant reduction in energy and resource losses throughout the entire vehicle manufacturing supply chain may be expected as a result of efforts to make process more efficient. Dramatic progress will also be made in recycling and waste reduction initiatives through the promotion of the 3Rs and the transition to a circular economy.

Aiming to become a company that can coexist in harmony with the earth, Mazda will continue to implement thorough recycling and waste reduction initiatives.

#### Approach to Resolving Social Issues

To carry out product development and design with consideration for recycling needs, Mazda builds resource-recycling initiatives into every phase of the lifecycle of its vehicles, based on the 3Rs. Many limited resources are used to manufacture vehicles, such as steel, aluminum, plastics and rare metals. At its business sites (areas of manufacturing, logistics, etc.), the Company will push forward with initiatives toward the realization of a recycling-oriented society from two different perspectives shared throughout the entire vehicle supply chain. One is the well-to-wheel perspective, and the other is the global & supply chain perspective.



## Mazda's Initiatives

### Resource Recycling Initiatives for Products

Mazda is steadily increasing the recyclability of its new vehicles, drawing on the following initiatives.

1. Research into vehicle design and dismantling technologies that simplify dismantling and separation, to make recyclable parts and materials easier to remove
2. Use of easily recyclable plastics, which constitute the majority of ASR\* by weight

\* Automobile Shredder Residue

It refers to the residue remaining after the crushing/shredding of what is left of the vehicle body following the removal of batteries, tires, fluids, and other parts requiring appropriate processing; the removal of engines, bumpers, and other valuable parts; and the separation and recovery of metals.

### Resource-Recycling Initiatives at Business Sites

Mazda will pursue and promote environmental technologies that will contribute to resource/energy value maximization (by minimizing consumption and fully utilizing resources/energy without any waste) and resource/energy diversification.

### Resource Recycling for Materials

The Mazda Group continues to expand its global efforts for zero emissions and resource recycling, by such means as using resources without any losses, and 3R activities (to reduce, reuse, and recycle resources).

2030	2050
Achieve zero emissions* in manufacturing and logistics processes on a global basis. * The status in which landfill waste is reduced to 0.1% or lower of the total waste generated. The Mazda Group companies in Japan achieved zero emissions in 2018.	Achieve zero emissions through expanded resource recycling initiatives* in manufacturing and logistics processes on a global basis. * Break away from dependence on thermal recycling or other combustion-based recycling methods, and augment material recycling.

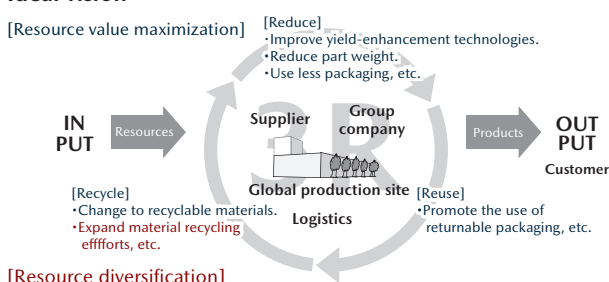
### Resource Recycling for Water

To conserve water resources, the Mazda Group promotes activities to eliminate wasteful water use, and circulate water resources by treating used water so that it is the same quality as it was taken from nature.

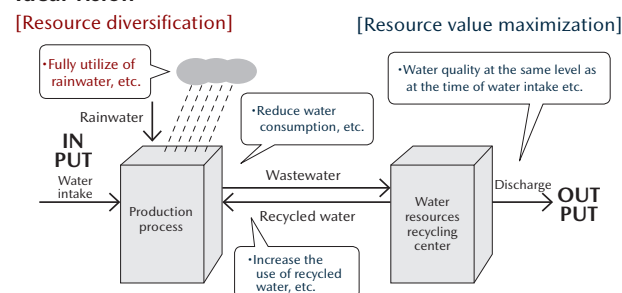
2030	2050
Implement an optimal approach to water resources recycling and circulation at model plants* in Japan. • Fully utilize water without any waste, as a valuable resource that is a natural blessing. • Circulate water as a valuable resource that is a natural blessing, by treating used water so that it is the same quality as before it was used, and returning it to nature.	Implement an optimal approach to water resources recycling and circulation in global manufacturing processes. • Fully utilize water without any waste, as a valuable resource that is a natural blessing. • Circulate water as a valuable resource that is a natural blessing, by treating used water so that it is the same quality as before it was used, and returning it to nature.

\* Model plant: A pilot plant where new attempts are made, ahead of other facilities.

### Ideal vision



### Ideal vision



## TOPICS

### Reducing Disposable Containers and Promoting the Use of Returnable Containers

Mazda is moving forward with 3R initiatives by such means as promoting the use of returnable containers, simplifying packaging specifications, and encouraging the reuse of materials. Since FY March 2013, the Company has been continuing activities to reflect logistic needs at the beginning of product development. These activities aim to optimize parts specifications and structures by taking into account these logistic needs in all work processes, from design to production and shipment. Furthermore, as for parts to be exported to overseas assembly plants, in 2015 Mazda started to use the same returnable containers to transport parts from the supplier to its transmission plant in Thailand, where these parts are assembled, so as to eliminate the need for repackaging these parts into cardboard boxes at a distribution center. In FY March 2021 this method enabled the Company to cut down around 850 tons of packaging and wrapping materials that would be discarded. Mazda is considering introducing this method at its plant in North America. The Company will continue its endeavors to reduce the use of packaging and wrapping materials, primarily by expanding the introduction of returnable containers.

### Introduction of returnable containers



## Contribution to the SDGs

### Goals and Targets

- 6. (6.3) Improve water quality through various measures.**
- 9. (9.4) Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.**

- 12. (12.4) Achieve the environmentally sound management of chemicals and all wastes, and significantly reduce their release in the air, water and soil.**
- (12.5) Substantially reduce waste generation.**

## People

## Contribution to People's Mental Wellness

### Recognizing Social Issues

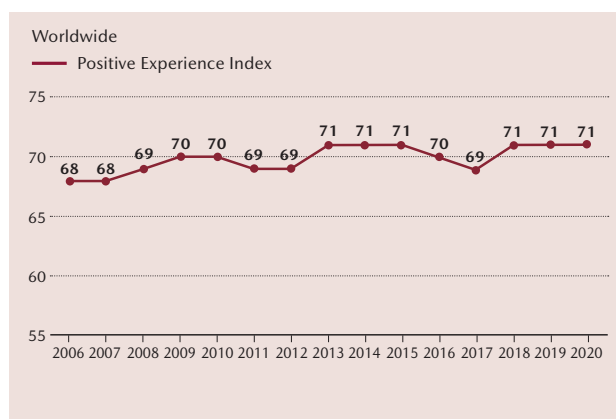
The preamble to the Constitution of the World Health Organization (WHO) defines that “Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.” Here, health is expressed with the word “well-being”.

Gallup, Inc. of the United States has conducted an emotional health survey in more than 140 countries and areas. In this survey, respondents' emotional experiences serve as one of its key measurement indicators.

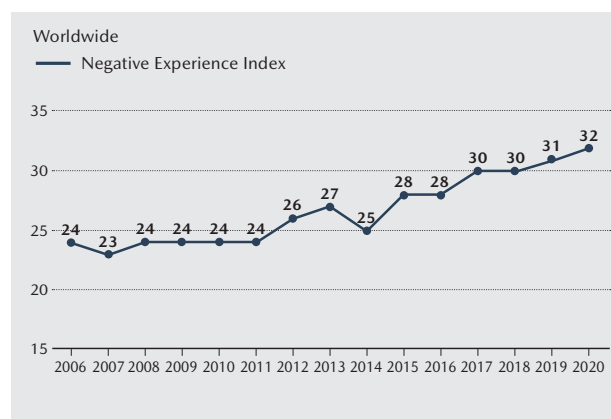
The survey results revealed that during the period between 2006 and 2020, Positive Experience Index scores (feeling well-rested, feeling treated with respect, laughing and smiling, enjoyment, and learning or doing something interesting) stayed about the same, whereas Negative Experience Index scores (physical pain, worry, sadness, stress, and anger) showed a deteriorating trend since 2015. Presumably, increasing the opportunities for positive experiences will lead to improvement in people's emotional health in the future.

Meanwhile, the industrial world—the information technology industry in particular—has begun to see some companies incorporating the perspective of well-being, which encompasses not only physical health but also mental and social health, into the process of product and technology development.

Positive Experience Index, 2006-2020



Negative Experience Index, 2006-2020



The above graphs were created by Mazda with permission from Gallup, Inc., based on the graphs in the Gallup Global Emotions 2021 report. “Gallup Global Emotions 2021”, Gallup, Inc., <https://www.gallup.com/analytics/349280/gallup-global-emotions-report.aspx>

### Mazda's Approach to Resolving Issues

#### Reasons for Addressing Social Issues

Around 2030, Mazda predicts that while people will benefit from the economic affluence achieved by mechanization and automation, they will be less associated with society due to weakening real-world human connections, with reduced opportunities to live spiritually rich lives, realize a society where all people harmoniously coexist, and feel the pleasure of ownership. Furthermore, people may be subject to high stress caused by the vulnerability of the social systems, which will have been optimized to seek higher efficiency.

Given these circumstances, the value of vehicles is expected to become more diversified, so people will select vehicles according to their purpose, e.g., for driving supported by vehicle-infrastructure cooperative systems, for enjoying driving, and for feeling the joy of ownership.

Mazda aims to enhance customers' mental well-being with the satisfaction that comes from protecting the planet and contributing to society with a car that offers true driving pleasure.

#### Approach to Resolving Social Issues

Mazda hopes to enrich the lives of customers by offering new forms of car ownership and automobile culture through its unique human-centered approach.

- Further maturing Mazda's Kodo design language, which is grounded in a philosophy of bringing cars to life and raises car design to the level of art to enrich people's emotional lives
- Further pursuing a *Jinba-ittai*—or sense of oneness between driver and vehicle—driving feel, which unlocks people's potential and revitalizes them mentally and physically
- Enhancing events and experiences for customers to build special bonds with Mazda by providing a comfortable space and through other means



## Mazda's Initiatives

### Building Special Bonds

With a view to building special bonds with customers in more than 130 countries and regions where Mazda vehicles are sold, the Mazda group push forward with various initiatives in cooperation with local distributors/dealerships to provide customers with a Mazda brand experience in all stages of their car ownership.

To build special bonds with customers, Mazda considers it necessary to take into account all touch points, i.e., not only the period during which customers are in possession of a Mazda vehicle but also the periods before they purchase the vehicle and after they let go of it.

For example, in the United States, a Group company carried out a program in partnership with participating dealers. The program was to provide a free oil change as well as interior and exterior vehicle cleaning for healthcare workers nationwide in 2020 and for educators nationwide in 2021. Not only Mazda owners but also for most makes and models from other manufacturers were covered by the program.

In the area of products, through its vehicles, Mazda aims to offer driving pleasure and an enriched life to an even greater number of customers. The Company is building on its strengths by further pursuing a *Jinba-ittai*—or sense of oneness between driver and vehicle—driving feel through the use of G-Vectoring Control\* and other technologies, as well as by further maturing Mazda's Kodo design language, which is grounded in a philosophy of bringing cars to life and raises car design to the level of art to enrich people's lives.

Other than products, Mazda holds various events, including online programs not only for its customers but also for many other people, to help them understand the Company's passion for and commitment to vehicle manufacturing as well as driving pleasure. In addition, Mazda offers its official merchandise that makes users feel close to Mazda in their everyday life.

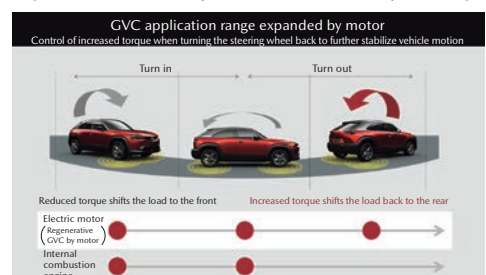
\* The world's first control system to vary engine torque in response to steering inputs in order to provide integrated control of lateral and longitudinal acceleration forces and optimize the vertical load on each wheel for smooth and efficient vehicle motion. (As of June 2016 for mass production vehicles, according to in-house investigation). In FY March 2021, Mazda developed its proprietary control technology for electric vehicles, electric G-Vectoring Control Plus (e-GVC Plus), which was incorporated into the MX-30 EV models.



CX-30 featuring further evolved Kodo design



Mazda official merchandise "Mazda Essential Collection"  
<https://www.mazda.com/ja/collection/essential/> (Japanese only)



Technology adopted in the MX-30 EV model: electric G-Vectoring Control Plus

## TOPICS

### CLASSIC MAZDA

Thus far, the Classic Mazda website has provided information about restoration services and restoration parts for the first MX-5 (Roadster in Japan), based on the Company's aspiration to foster a society where not only new vehicles but also old vehicles can be valued and contribute to the automobile culture of the world. In December 2020, the website was updated in conjunction with the release of restoration parts for the RX-7.



The first MX-5 (Roadster in Japan)



The third RX-7 (left) and the second Savanna RX-7 (right)

Classic Mazda website (Japanese only) :  
<https://www.mazda.co.jp/carlife/classicmazda/>

## Contribution to the SDGs

### Goals and Targets



- (3) Ensure healthy lives and promote well-being for all at all ages.



- (9.1) Develop sustainable and resilient infrastructure to support economic development and human well-being

## People

## Improving Employee Job Satisfaction

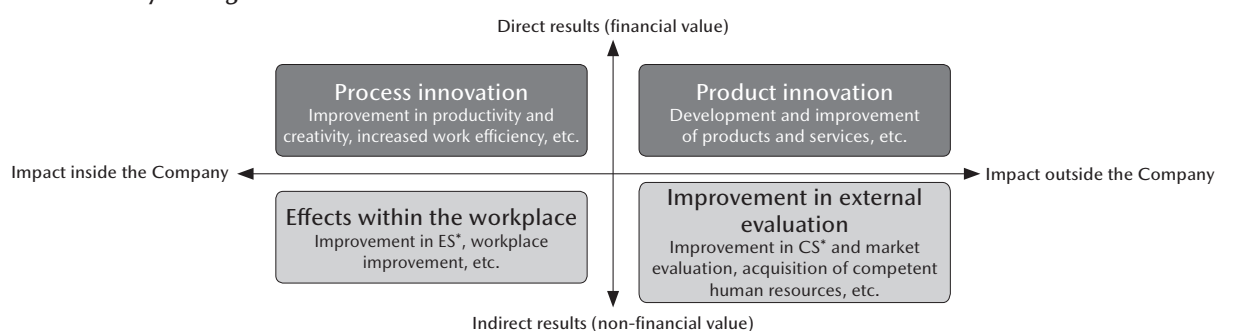
### Recognizing Social Issues

Securing a labor force is one of the challenges confronting developed countries, where the percentage of working-age population has been on the decline. On top of this, changing market circumstances as exemplified by globalization in recent years have caused numerous new uncertainties for companies and brought changes in their competitive environments. Companies are therefore required to accurately identify diversifying customer needs and innovate to seize new revenue-generating opportunities, while also needing flexibly respond to risks and making them into business opportunities.

In these circumstances, in order for companies to sustain growth, it is essential to secure a diverse range of human resources in accomplishing their management strategies. To this end, companies should pursue diversity management. Cultivating both a work climate and work-style frameworks that can motivate a diverse pool of employees, enables companies to assign the right person to the right position, and thus provide opportunities to individual employees to exercise their potential to the fullest. By doing so, diversity management aims to allow companies to achieve positive management results, including product innovation, process innovation, improvement in external evaluation and effects within the workplace.

Furthermore, companies must step up their efforts to continue to create corporate value over the medium and long term by leveraging the differences between diverse attributes to improve the company's risk management capabilities and the supervisory function of the Board of Directors.

#### Results of Diversity Management



The above figure was created by Mazda, based on "FY March 2017 New Diversity Management Selection 100—Collection of Best Practices" published by the Ministry of Economy, Trade and Industry (<https://www.meti.go.jp/policy/economy/jinzai/diversity/kigyo100sen/practice/pdf/rh28practice.pdf> (Japanese only)).

### Mazda's Approach to Resolving Issues

#### Reasons for Addressing Social Issues

Mazda recognizes that people are its most important resource and aims to be a company staffed by people who enjoy their work. The basic philosophy of the Company's Medium-Term Management Plan is "our unique co-creation with others." In keeping with this philosophy, Mazda respects the diversity of its employees from various backgrounds, including race, nationality, faith, gender, social status, family origin, age, mental or physical disability, sexual orientation, and gender identity. The Company also strives to promote flexible and diverse work styles and improve working conditions and environments, thereby enhancing employees' motivation and increasing work efficiency from the viewpoint of total optimization.

#### Approach to Resolving Social Issues

The Company aims to foster a corporate climate in which every employee can express his/her individuality while working alongside others to contribute to the Company and society. Mazda promotes human resources training based on the Mazda Way principles that are shared throughout the entire Mazda Group worldwide. Also, the Company has established Group-wide human resources policies and measures along with promotion of various initiatives.

- New flexible work styles (remote work, satellite office)
- Reform company-wide operation system to support new work style
- Promote diversity and inclusion, etc.

#### Seven Principles of the Mazda Way

##### INTEGRITY

We keep acting with integrity toward our customers, society, and our own work.

##### BASICS/FLAWLESS EXECUTION

We devote ourselves to the basics, and make steady efforts in a step by step fashion.

##### CONTINUOUS KAIZEN

We continue to improve with wisdom and ingenuity.

##### CHALLENGER SPIRIT

We set a high goal, and keep challenging to achieve it.

##### SELF INITIATIVE

We think and act with "self initiative."

##### TOMOIKU

We learn and teach each other for our mutual growth and success.

##### ONE MAZDA

We think and act with the view of "Global" and "One Mazda."



## Mazda's Initiatives

### Realization of Diversity

Mazda respects the diversity of its employees, and the Company aims to foster a corporate climate in which every employee can express his/her individuality while working alongside others to contribute to the Company and society. Mazda also works on a variety of programs to enable its employees — a diverse range of people with different values and lifestyles — to enjoy their work by finding a healthy balance between their work and personal lives.

### Increasing the Employment and Range of Opportunities for Female Employees

Through enhancement of measures promoting work-life balance and other initiatives, Mazda is striving to cultivate a workplace in which women can work comfortably. In 2016, the Company established its targets in the general employer action plan, based on the Act of Promotion of Women's Participation and Advancement in the Workplace. Due to ongoing efforts to promote the active participation of women, the number of female managers has been steadily rising (FY March 2021 results: 52, about 2.5 times the number in FY March 2014). To further accelerate these efforts, Mazda has set new targets for FY March 2022 and onward. In this manner, initiatives are under way to further strengthen the support for female participation.

### Promoting Re-Employment of the Elderly, and Passing on Expertise, Skills, and Know-How

Starting in FY March 2014, Mazda has introduced a system to ensure the continued employment of all post-retirement employees who wish to continue working by revising the Company's previous re-employment system. The Company is actively re-employing retired former employees to help them share their expertise, skills, and know-how with younger employees.

### General Employer Action Plan based on the Act of Promotion of Women's Participation and Advancement in the Workplace

Planning period: April 1, 2021 – March 31, 2026

Numerical targets:

- ① Increase the number of female managers to 80 by FY March 2026 (approximately four times the number in FY March 2014)
- ② Increase the number of male employees who take child-rearing leave to 80 by FY March 2026 (approximately two times the number in FY March 2021)

### FY March 2021 Human Resources System and Measures (Examples)

#### Work-life balance

- Child-rearing paid leave / Child-rearing leave: 600 beneficiaries (including 492 male) / 287 beneficiaries (including 45 male)
- Nursing care leave: 5 beneficiaries (including 4 male)
- Special Warm Heart leave system\*: 644 beneficiaries (including 345 male)

\* A paid-leave system that covers nursing care for relatives, including those in need of long-term care, volunteer work, functions at one's child's school, infertility treatment, and disaster relief and assistance for affected relatives

#### Support for employees with special needs

- Established the Physical Challenge Support Desk for consultations. Employed two certified sign-language interpreters as regular employees.

## TOPICS

### Mazda Joins The Valuable 500, International Initiative to Promote Disability Inclusion

In January 2021, Mazda Motor Corporation joined The Valuable 500, an international initiative to promote active inclusion of people with disabilities. The Valuable 500, launched at the World Economic Forum's Annual General Meeting in January 2019, aims to inspire business leaders to make changes for disability inclusion that will enable people with disabilities to realize their potential value in the areas of business, society and economy. In support of this aim, the Company will promote and strengthen its efforts in line with the commitments it has established as to Mazda's Corporate Vision, employment and empowerment of people with disabilities, and products and services that consider the needs of people with disabilities.

For details, refer to the following URL:

<https://newsroom.mazda.com/en/publicity/release/2021/202101/210129a.html>



## Contribution to the SDGs

### Goals and Targets



- (5.1) End all forms of discrimination against all women and girls everywhere.
- (5.5) Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.



- (8.4) Decouple economic growth from environmental degradation in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production.
- (8.5) Achieve full and productive employment and decent work for all women and men, and achieve equal pay for work of equal value.

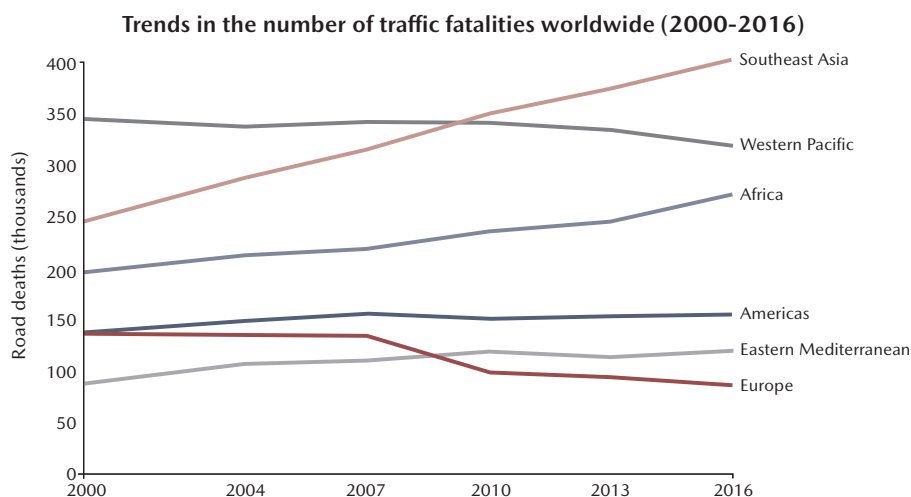
## Society

## Realizing a Motorized Society Free From Traffic Accidents

### Recognizing Social Issues

The number of traffic fatalities has been leveling off or decreasing in developed countries. In emerging countries, however, the number has been on the rise along with the progress of motorization (widespread use of private passenger cars). As of 2016, the annual number of people killed in traffic accidents reached approximately 1.35 million worldwide.

The automotive industry working to promote vehicle safety measures with a view to reducing the number of fatal road traffic accidents to zero by securing the safety of pedestrians and vehicle occupants, preventing serious accidents, and encouraging the effective and proper use of autonomous driving-related technologies.



The above graph was created by Mazda, based on the graph in the following URL, in accordance with the guidelines of the World Health Organization (WHO): "Death on the Road Based on the WHO Global Status Report on Road Safety 2018", World Health Organization, <https://extranet.who.int/roadsafety/death-on-the-roads/#trends/>

### Mazda's Approach to Resolving Issues

#### Reasons for Addressing Social Issues

Around 2030, Mazda expects that advanced safety technology will have further evolved and become widespread, which will lead to a declining number of traffic accidents and help realize a society where people can move safely with peace of mind on a global basis.

With the goal of realizing a motorized society without traffic accidents, Mazda aims to create a system that enriches people's lives by offering unrestricted mobility to people everywhere.

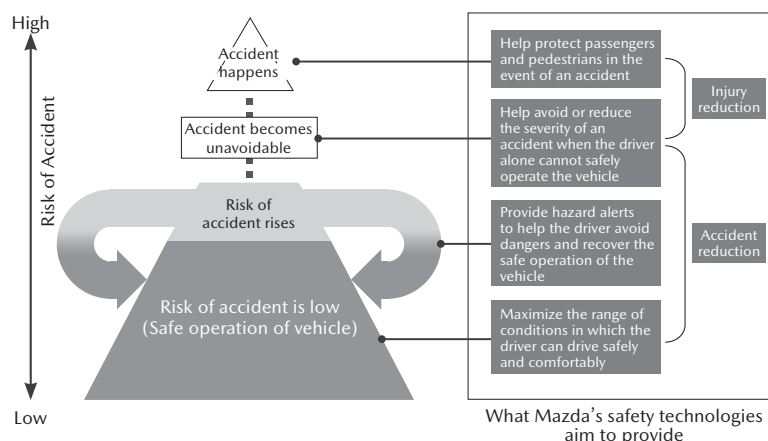
#### Approach to Resolving Social Issues

Mazda Proactive Safety is the Company's safety philosophy based on understanding, respecting and trusting the driver. Mazda places this philosophy at the heart of its research on and development of safety technologies.

To drive safely it is essential to recognize potential hazards, exercise good judgment and operate the vehicle in an appropriate fashion. Mazda aims to support these essential functions so that drivers can drive safely and with peace of mind, despite changing driving conditions.

Since drivers are human beings, and human beings are fallible, Mazda offers a range of technologies which help to prevent or reduce the damage resulting from an accident.

#### Mazda Proactive Safety: Mazda's Safety Philosophy



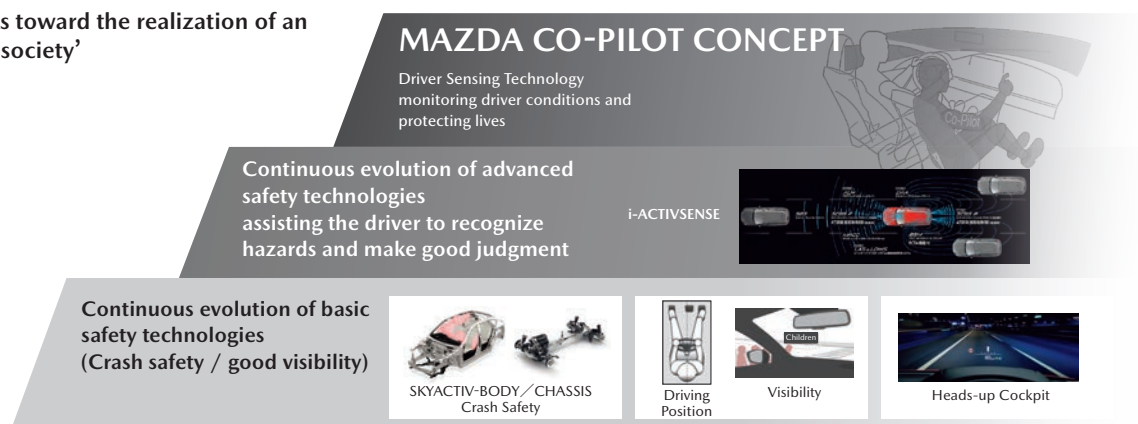


## Mazda's Initiatives

### Building Blocks toward the Realization of an Automotive Society that Offers Safety and Peace of Mind

To realize an automotive society that offers safety and peace of mind, Mazda has strived to develop technologies in accord with the Mazda Proactive Safety Philosophy. The Company adopts its Building Block Strategy in developing safety technologies, as in the case of environmental technologies. The base block at the bottom of the figure below comprises basic safety technologies, such as the ideal driving position and pedal layout, excellent visibility, and human machine interface. Mazda has been committed to continuous evolution of these technologies, as exemplified by the adoption of an organ-type accelerator pedal and efforts to further enhance visibility. The middle block constitutes of i-Activsense, a series of Mazda's advanced safety technologies developed to deliver safer, more reliable cars to a greater number of customers, from total beginners all the way to elderly drivers. The features of i-Activsense include active safety technologies, which support safer driving by helping the driver to recognize potential hazards; and pre-crash safety technologies, which help to avert collisions or reduce their severity in situations where they cannot be avoided. Mazda also works to continuously evolve these safety technologies. The uppermost block is the Mazda Co-Pilot Concept, which the Company declared in 2017 as its development concept for advanced driving support technology.

### Building blocks toward the realization of an 'accident-free society'

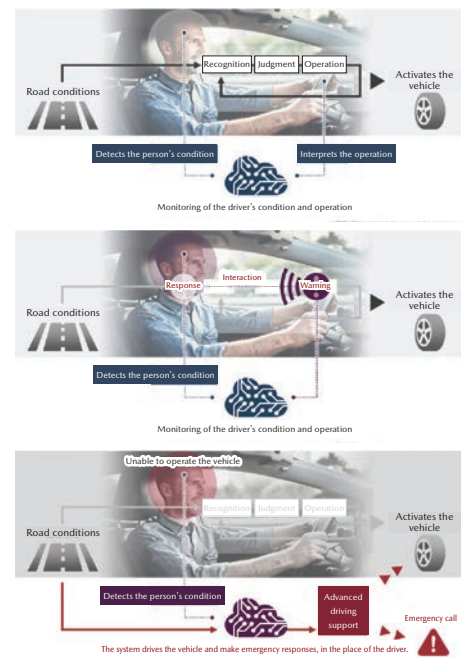


## TOPICS

### MAZDA CO-PILOT CONCEPT

The Mazda Co-Pilot Concept is Mazda's unique concept for human-centered advanced driving support technology. This concept envisages a driving support system that monitors the driver's condition and behavior at all times, and that stands ready to intervene to assist the driver should an emergency occur. If the system detects that a sudden change has occurred in the driver's physical condition—for example, the driver gets drowsy or loses consciousness—an alarm is issued to alert the driver. Furthermore, if the driver is deemed as unable to continue normal operation of the vehicle, the system causes the vehicle to decelerate or come to a stop and then places an emergency call if necessary. However, anyone can experience a sudden complication while at the wheel. However, Mazda believes that, in such a case, this technology will be able to reduce the risk of accidents and damage to not only the driver, but also the surrounding vehicles and passersby. Thereby providing as much peace of mind to the driver and their loved ones as to others on the road or nearby. The Company plans to introduce Mazda Co-Pilot 1.0, as a first step, starting from its Large Products with 2022.

\* This system is not intended to allow autonomous driving while the driver is asleep or inattentive.



## Contribution to the SDGs

### Goals and Targets



(3.6) Halve the number of global deaths and injuries from road traffic accidents.

## Society

# Creating a System that Enriches People's Lives

## Recognizing Social Issues

According to the 2020 White Paper on Information and Communications in Japan (published by the Ministry of Internal Affairs and Communications), Japan has been called as a country with advanced challenges. The country began to experience a declining population and aging society prompted by a falling birthrate sooner than other countries, while also facing the increasing concentration of its population in urban centers. In recent years, various issues have become apparent.

In urban areas, daily traffic jams and congestion have caused extended traveling and commuting times and other problems that lead to social losses. Meanwhile, areas in rural Japan where no public transportation is available have expanded, due to reduced and discontinued public transportation services such as trains and buses. As a result, freedom of mobility in everyday life is limited for people who have difficulty using private vehicles as their main means of transport.

As measures to effectively fulfill these mobility needs of local communities with different characteristics and issues, expectations are running high for Mobility as a Service (MaaS\*). Amid ongoing discussions nationwide about MaaS in Japan, the automotive industry is striving to develop related technologies and create mobility service systems.

\* Mobility as a Service (MaaS): An integrated transport service of search, reservation, payment, etc. that optimally combines multiple public transportation and other travel services in response to the travel needs of each local resident or traveler on a trip-by-trip basis

### Five Types of Regions Identified to Promote Japanese-style MaaS

	(1) Metropolitan area	(2) Metropolitan suburban	(3) Local urban	(4) Suburb/Depopulated area	(5) Tourist destination
Regional characteristics	<ul style="list-style-type: none"> <li>Population size: Large</li> <li>Population density: High</li> <li>Transport system: Primarily trains</li> </ul>	<ul style="list-style-type: none"> <li>Population size: Large</li> <li>Population density: High</li> <li>Transport system: Trains/cars</li> </ul>	<ul style="list-style-type: none"> <li>Population size: Medium</li> <li>Population density: Medium</li> <li>Transport system: Primarily cars</li> </ul>	<ul style="list-style-type: none"> <li>Population size: Small</li> <li>Population density: Low</li> <li>Transport system: Primarily cars</li> </ul>	<ul style="list-style-type: none"> <li>Population size: —</li> <li>Population density: —</li> <li>Transport system: —</li> </ul>
Regional issues	<ul style="list-style-type: none"> <li>Response to diversifying mobility needs</li> <li>Lack of information about potential demand</li> <li>Daily traffic jams and congestion</li> </ul>	<ul style="list-style-type: none"> <li>Lack of first-/last-mile transportation services and connectivity</li> <li>Local congestion due to events, weather, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Reliance on private cars</li> <li>Decrease in convenience and profitability of public transportation</li> <li>Insufficient transportation for non-car owners and elderly people who have returned their driver's license</li> </ul>	<ul style="list-style-type: none"> <li>Reliance on private cars</li> <li>Decline in local transportation</li> <li>Expansion of areas where no public transportation is available</li> <li>Increasingly insufficient transportation for non-car owners and elderly people who have returned their driver's license</li> </ul>	<ul style="list-style-type: none"> <li>Lack of secondary transportation and provision of tourism transportation in rural areas</li> <li>Need to facilitate smooth movement of foreign visitors to Japan, whose numbers are rapidly increasing</li> <li>Finely tuned response to diversifying tourism needs</li> </ul>

The above table was created by Mazda based on the "Outline of the Interim Report from the Roundtable on New Mobility Services for Cities and Rural Areas of the Ministry of Land, Infrastructure, Transport and Tourism." (Japanese only) (<https://www.mlit.go.jp/common/001280181.pdf>)

## Mazda's Approach to Resolving Issues

### Reasons for Addressing Social Issues

Mazda predicts that around 2030, against the backdrop of global digitalization and widespread use of work efficiency improvement tools, the automotive industry will seek to increase convenience by linking cars and communications systems, offering various services one after another. Making the selection of which convenience-oriented services to provide a decision of significant value. Metropolitan areas with advanced infrastructure built to accommodate a greater concentration of people should be able to resolve any concerns or inconveniences regarding mobility with little difficulty, thanks to the development of shared services as well as expanded vehicle use and services, which will become comparable to those of public transportation systems.

On the other hand, depopulated areas in hilly and mountainous regions of Japan will continue to suffer a lack of transportation means due to the disappearance of public transportation services, making it harder for local residents—particularly the elderly and people with special needs—to get around. This issue will also involve regional revitalization, which cannot be resolved by merely providing relevant services alone.

Mazda will leverage available car and connectivity technologies to help create a community where local residents help one another and facilitate human interaction, assisted by drivers from both within and outside the community.

### Approach to Resolving Social Issues

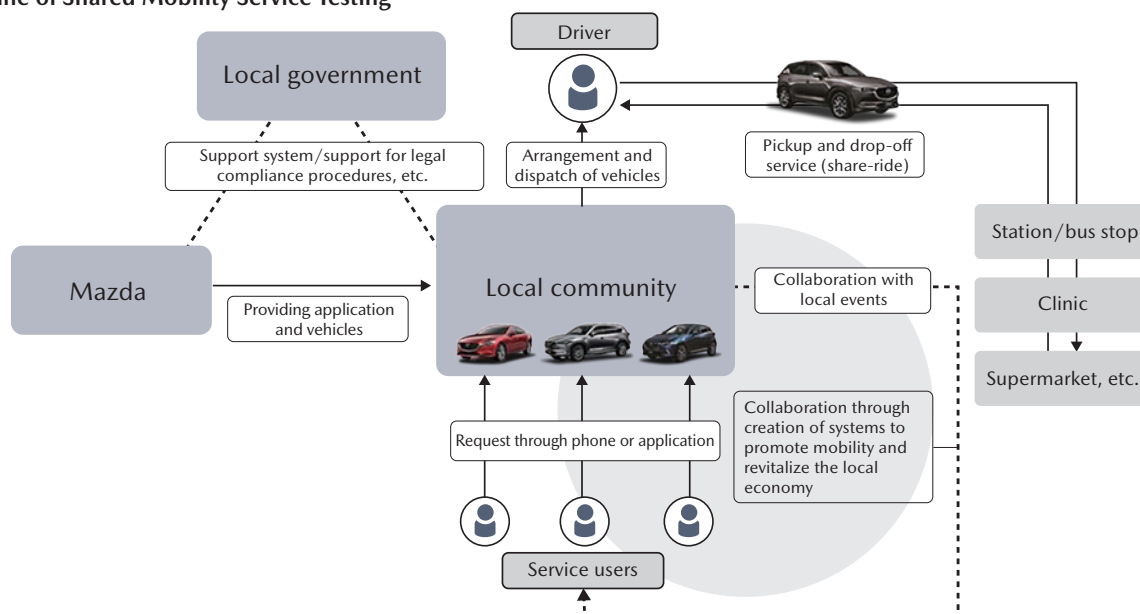
Mazda aims to evolve connectivity technologies to further cultivate connections among people and between people and society, thereby building a social contribution model that will enrich lives in the region by offering safe, secure, and unrestricted mobility to people everywhere. At the same time, the Company will move forward with initiatives to enhance brand value through active social contributions capitalizing on the strength of a vehicle manufacturer.

## Mazda's Initiatives

### A Shared Mobility Service Leveraging Connectivity Technologies

To deal with the issue of lack of transportation means in depopulated areas in hilly and mountainous regions of Japan, Mazda started testing a shared mobility service utilizing its connectivity technologies from December 2018 in Miyoshi City, Hiroshima Prefecture. The Company is in the process of coming up with ideas to improve the convenience of the service through dialogue with the local community while having residents of the testing sites—the Kawanishi district and Sakugi-cho of Miyoshi City—continue to use the service. Mazda is currently working to devise various measures to ensure seamlessly connected mobility for people and goods both inside and outside the community by linking the shared mobility service with regional information on local exchange events, shipping/collection of agricultural products, etc. Through such measures, Mazda strives to realize a sustainable service used by many more people, thereby leading to community invigoration in the future.

### Outline of Shared Mobility Service Testing



## TOPICS

### Donating Vehicles for Every Stadium Attendance Milestone

Mazda works to support the mobility of local social welfare organizations, making effective use of the Hiroshima Municipal Baseball Stadium (Mazda Zoom-Zoom Stadium Hiroshima), for which Mazda acquired the naming rights. For every one million stadium visitors, the Company donates one Mazda vehicle to a social welfare organization. When the cumulative number of visitors reached 21 million in November 2020, a Mazda vehicle was presented to an organization in Hiroshima City. As of FY March 2021, Mazda had donated a cumulative total of 21 vehicles. The vehicles are being used for various purposes, such as transporting users of the welfare facilities to their workplaces.

Refer to the following URL for details (Japanese only):

<https://newsroom.mazda.com/ja/publicity/release/2020/202011/201130a.html>



A Mazda vehicle being presented to a welfare organization

## Contribution to the SDGs

### Goals and Targets



- (9.1) Develop sustainable and resilient infrastructure to support economic development and human well-being.



- (11.2) Provide access to sustainable transport systems for all, improving road safety.  
 (11.6) Reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.  
 (11.a) Support positive economic, social and environmental links between urban, peri-urban and rural areas.



## Earth, People, and Society

## Quality Improvement

## Mazda's Approach

Toward the realization of its Corporate Vision, Mazda believes that it is important to enhance the quality of “all things offered outside the Company,” including products and services, to satisfy customers. To deliver customers safety, trust, and excitement through automotive lifestyles, and to have customers continuously realize the value of its products, Mazda makes Group-wide efforts based on the three principles below:

1. Establishing consistent quality, from planning to production
2. Early detection and early solution of market problems
3. Building special bonds with customers—cultivating human resources capable of considering and acting toward the happiness of customers

## Vision for Quality Assurance

## 1. Establishing consistent quality, from planning to production

“100–1=0” expresses Mazda’s strong desire to provide good quality to all customers, under the belief that for an individual customer, his/her vehicle is not one out of 100 vehicles but the only one. Mazda pursues a kind of vehicle production that respects each vehicle as a certain customer’s “one-and-only,” and all related departments work in close collaboration to establish consistent quality in all processes, from planning to production.

## 2. Early detection and early solution of market problems

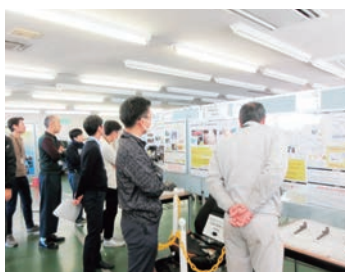
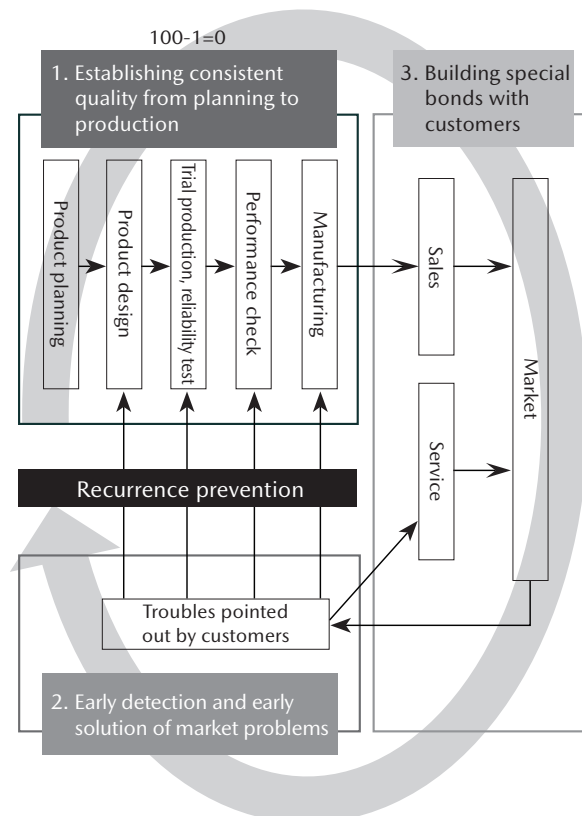
If an unpredictable problem arises in the market, it may result in loss of trust from customers. To avoid this, Mazda promotes quality assurance activities for the early detection and early solution of any problem pointed out by customers.

## 3. Building special bonds with customers

Mazda aims to build special bonds of ever-lasting trust with its customers by keeping contact with customers in good faith and with a sense of commitment to them.

## Shaping Personnel Who can Think and Act from the Customer's Perspective

Mazda promotes human resources development to enable each and every employee will be able to think and act for themselves. To cultivate a customer-oriented corporate culture/mindset, since 2018 Mazda has set up an exhibition booth to show actual defective products found in the past and videos regarding these products, enabling employees to share lessons learned from past cases. This initiative is intended to encourage employees to think about past issues as issues concerning themselves and to improve their attitudes and behavior. In FY March 2021, the Company started to provide the exhibition online due to novel coronavirus (COVID-19), through which a total of 8,700 employees so far have shared lessons learned from past experiences.



Employees sharing past cases at the exhibition booth



An employee viewing past cases through the online exhibition

## Contribution to the SDGs

## Goals and Targets



(9.1) Develop sustainable and resilient infrastructure to support economic development and human well-being.

## Exploring Partnerships for “Co-Creation with Others”

### Mazda's Approach

The automotive industry is currently experiencing a once-in-a-century transformation. Reform is required in numerous areas including product planning, development, production, sales, and services in order to respond to the demands of this period as represented by CASE—an acronym used to designate the new technologies of Connected technology, Autonomous driving technology, Shared services, and Electrification technology. To ensure that Mazda overcomes this time of great change, and continues to thrive and grow, the Company must cherish and co-create Mazda's uniqueness together with everyone involved with Mazda. While enhancing alliances to strengthen ties with existing partners, Mazda will continue to explore new partnerships—even outside the auto industry.

#### Inter-Company Collaboration: Joint Development of Technical Specifications for Next-generation Vehicle Communication Devices

While working hard together with its partners to realize shared dreams, the Company wants to enable them to feel proud of their connection with Mazda, and emotionally attached to the brand. We aim to be recognized as a brand that form strongest of bonds with all stakeholders, including customers.

In April 2021, Suzuki Motor Corporation, Subaru Corporation, Daihatsu Motor Co. Ltd., Toyota Motor Corporation, and Mazda Motor Corporation reached an agreement to jointly develop technical specifications for next-generation vehicle communication devices and to promote the common use of communication systems, by using connected services to link automobiles and society with the aim of creating new appeal, value and services, to be standardized for early provision of safer and more convenient connected services. Through this agreement, the participating companies will be able to provide more convenient connected services to customers and optimize resources such as their facilities and personnel.

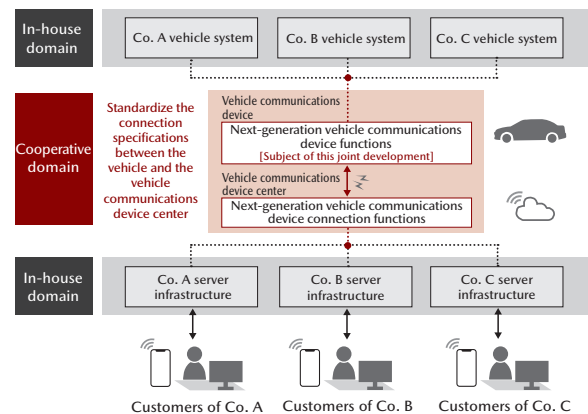
Refer to the following URL for more details:

<https://newsroom.mazda.com/en/publicity/release/2021/202104/210427a.pdf>

#### Conceptual Diagram of Connected Service Operation

##### Development of Next-Generation Vehicle Communications Devices

Common connection specifications from vehicles to networks and vehicle communications device center



#### Industry-Academia-Government Collaboration: Hiroshima “Your Green Fuel” Project

The business environment in which companies operate is becoming increasingly competitive due to stricter environmental and safety regulations, new competitors from other industries, and diversification of the mobility business. Through collaborations, such as Hiroshima Council of Automotive Industry-Academia-Government Collaboration (Hirojiren),\* Mazda has contributed to the local community in terms of developing new creative technologies and nurturing human resources capable of bringing about innovation.

The Company participates in the Hiroshima “Your Green Fuel” Project, which is promoted by Hirojiren with the aim of spreading the use of next-generation biodiesel automotive fuels. To create a model for the local production and consumption of biodiesel fuels in Hiroshima, in August 2020, Mazda established a biodiesel fuel value chain—from the production and supply of raw materials to the use of the fuels—and began to use such fuels.

\*A council that promotes industry-academia-government collaboration. Motivated by the strong hope and enthusiasm for encouraging the manufacturing industry in Hiroshima, its member organizations have voluntarily joined the Hiroshima Council of Automotive Industry-Academia-Government Collaboration (Hirojiren), to consider what manufacturing ought to be and to leverage innovation that will lead to industrial development. Hirojiren implements various activities, such as studies on future energies and technology exchange with suppliers.



Image of biofuel vehicle

Refer to the following URL for details (Japanese only):

<https://newsroom.mazda.com/ja/publicity/release/2020/202008/200804a.html>

### Contribution to the SDGs

#### Goals and Targets



(8.2) Achieve higher levels of economic productivity.

(8.10) Strengthen and expand access to banking, insurance and financial services.



(17.16) Enhance the global partnership for sustainable development.

(17.17) Encourage and promote effective public, public-private and civil society partnerships.

## Management

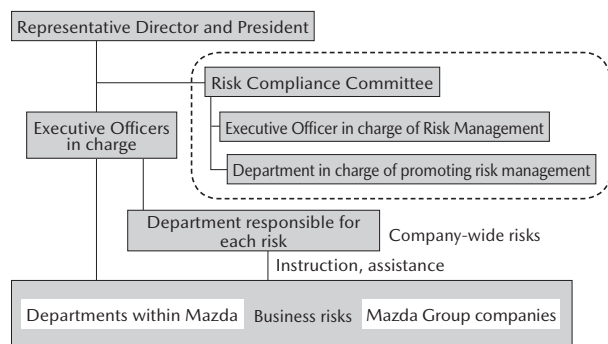
### Corporate Governance

Mazda respects the purport of the Corporate Governance Code formulated by the Tokyo Stock Exchange and, while working to build a good relationship with its stakeholders, including shareholders, customers, suppliers, the local community, and its employees, the Company strives to sustain growth and enhance its corporate value over the medium and long term through transparent, fair, prompt, and decisive decision-making, and to continue to enhance its corporate governance.

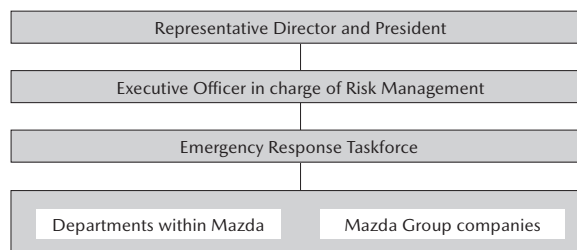
### Risk Management

Mazda makes continuous efforts to identify and reduce various internal and external risks in accordance with the Basic Policy on Risk Management, Risk Management Regulations, and other related internal regulations, so as to ensure continuous and stable progress of business activities. Among the risks identified, considering the level of importance, individual business risks are managed by the department in charge of that business area while company-wide risks are handled by departments that carry out business on a company-wide basis. These departments manage the risks appropriately, following the PDCA cycle. In the event of an emergency, such as a natural disaster or situation that creates serious managerial consequences, Mazda takes appropriate measures in reference to its internal regulations, including establishing an emergency response taskforce when necessary.

#### Risk Management Structure in Normal Times



#### Emergency Risk Management Structure



For incidents that fall outside the scope of existing risk management organizations and require a coordinated interdepartmental response, the executive officer in charge of risk management will consult with the president, establish an emergency response taskforce, and appoint a general manager for this taskforce.

### Compliance

At Mazda, the concept of compliance applies not only to laws and regulations, but also includes adherence to other rules such as internal guidelines and societal norms and expectations. Business operations are conducted in accordance with the Mazda Corporate Ethics Code of Conduct to ensure fair and honest practice. Overseas as well, Mazda not only complies with international regulations and the laws of each country and region, but also respects local history, culture, and customs.

#### Major Initiative: Mazda Global Hotline

The Company has established the Mazda Global Hotline, as an in-house system to receive reports regarding non-compliance and other issues. With contact points set up both inside the Company and outside (an attorney's office), the hotline enables Mazda Group employees to choose a contact point for submitting their reports either under their real names or anonymously. The content of these reports is carefully handled, and the whistleblowers' confidentiality is completely protected. In so doing, Mazda takes sufficient follow-up measures to ensure that those who make reports to the hotline or who cooperate in an investigation will not be subject to unfavorable treatment. The Mazda Global Hotline is also introduced to suppliers so that they can report questions arising from any transaction. In FY March 2021, the hotline received a total of 53 reports, including requests for consultations.

#### Various Contact Points



#### Promoting Sustainability in Collaboration with Suppliers

Mazda is promoting sustainability efforts aimed at building a sustainable society in full partnership with its suppliers. The Company bases its assessments of business dealings with its suppliers on a comprehensive evaluation that covers not only quality, technical strengths, pricing, delivery time and management approach, but also corporate compliance structure and initiatives for environmental protection. Mazda is promoting activities to improve quality and productivity jointly with local suppliers. While paying respect to the differences in national character and culture, the Company continues to promote continuous improvement activities at worksites overseas.



## Major Product Lineup

### MAZDA 2



Global Sales Volume  
**88** thousand units

Sales markets  
**J N E O**  
Production bases  
**J N O**

### MAZDA 3



Global Sales Volume  
**243** thousand units

Sales markets  
**J N E C O**  
Production bases  
**J N C O**

### MAZDA 6



Global Sales Volume  
**82** thousand units

Sales markets  
**J N E C O**  
Production bases  
**J E C O**

### MAZDA CX-3



Global Sales Volume  
**65** thousand units

Sales markets  
**J N E O**  
Production bases  
**J O**

### MAZDA CX-30



Global Sales Volume  
**193** thousand units

Sales markets  
**J N E C O**  
Production bases  
**J N E C O**

### MAZDA CX-4



Global Sales Volume  
**49** thousand units

Sales markets  
**C**  
Production bases  
**C**

### MAZDA CX-5



Global Sales Volume  
**375** thousand units

Sales markets  
**J N E C O**  
Production bases  
**J E C O**

### MAZDA CX-8



Global Sales Volume  
**31** thousand units

Sales markets  
**J C O**  
Production bases  
**J C O**

### MAZDA CX-9



Global Sales Volume  
**55** thousand units

Sales markets  
**N E O**  
Production bases  
**J E**

### MAZDA MX-30



Global Sales Volume  
**16** thousand units

Sales markets  
**J E O**  
Production bases  
**J**

### MAZDA MX-5

(Japanese name: Mazda Roadster)



Global Sales Volume  
**23** thousand units

Sales markets  
**J N E O**  
Production bases  
**J**

### MAZDA BT-50



Global Sales Volume  
**25** thousand units

Sales markets  
**O**  
Production bases  
**O**

Sales markets and production bases

**J** Japan **N** North America **E** Europe **C** China **O** Other markets

\* Global sales volume is for fiscal year March 2021; sales markets and production bases are as of March 31, 2021.

\* Vehicle specifications differ by market.

## FY March 2021 Results

Number of sales countries/regions

More than **130** countries/regions

Global sales volume

**1,287** thousand units **9.3%** YoY <sup>Down</sup>

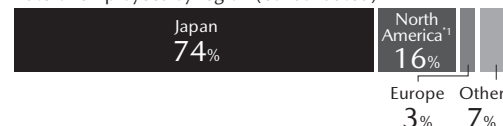
Global sales share



Number of employees

**49,786**<sup>2</sup>

Rate of employees by region (consolidated)

<sup>1</sup> Including Mexico.<sup>2</sup> Excluding the number of Mazda Group employees dispatched to companies outside the Group, but including the number of employees dispatched to Mazda Group companies from outside the Group.

## Financial Information

Breakdown of Shareholders by Type  
(as of March 31, 2021)

Japanese securities companies

1.6%

9,975 thousand shares

Foreign institutions and others

40.4%

255,085 thousand shares

Other Japanese corporations

12.2%

77,184 thousand shares

Japanese individuals and others\*

17.7%

111,838 thousand shares

Japanese financial institutions

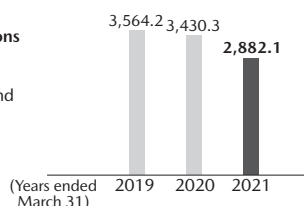
28.1%

177,722 thousand shares

\* Treasury stock is included in "Japanese individuals and others."

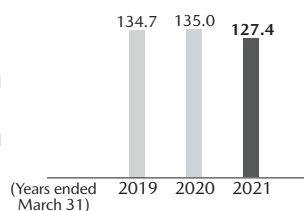
Net sales

(Billions of yen) ■ Net sales

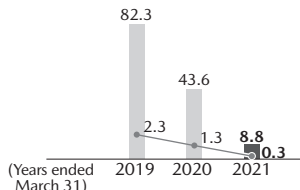


Research and Development (R &amp; D) Costs

(Billions of yen) ■ R &amp; D Costs

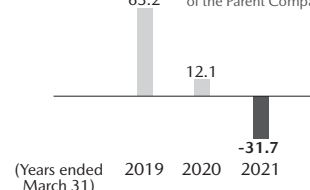


Operating Income / Operating Income Ratio

(Billions of yen / %) ■ Operating Income  
◆ Operating Income Ratio

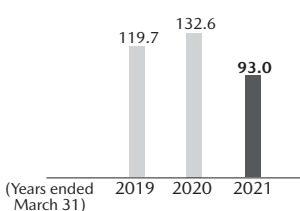
Net Income Attributable to Owners of the Parent Company

(Billions of yen) ■ Net Income Attributable to Owners of the Parent Company



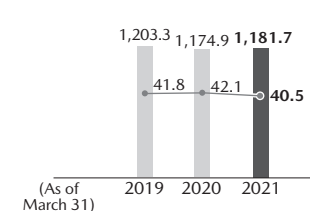
Capital Expenditures

(Billions of yen) ■ Capital Expenditures



Equity / Equity Ratio

(Billions of yen / %) ■ Equity ◆ Equity Ratio



## About Mazda

## The Origin and Meaning of "Mazda"

The Company's name, "Mazda", derives from Ahura Mazda, a god of the earliest civilizations in western Asia. The Company has interpreted Ahura Mazda, the god of wisdom, intelligence, and harmony, as a symbol of the origin of both Eastern and Western civilizations, and also as a symbol of automotive culture. It incorporates a desire to achieve world peace and the development of the automobile manufacturing industry. It also derives from the name of the Company's founder, Juiro Matsuda.

## Mazda Brand Symbol

The brand symbol expresses Mazda's dedication to continuous growth and improvement. It is a symbolic development of the Mazda "M", and shows the Company stretching its wings as it soars into the future (Established in June 1997.)



## Mazda Corporate Mark

Mazda developed its corporate mark as a symbol for Mazda's communications in January, 1975. It was later positioned as an easy-to-read corporate mark, in line with the establishment of the brand symbol in 1997.



## Mazda Brand Slogan, "Zoom-Zoom"

Mazda's creativity and innovation continuously delivers fun and exhilarating driving experiences to customers who remember the emotion of motion first felt as a child (Announced in April 2002.)

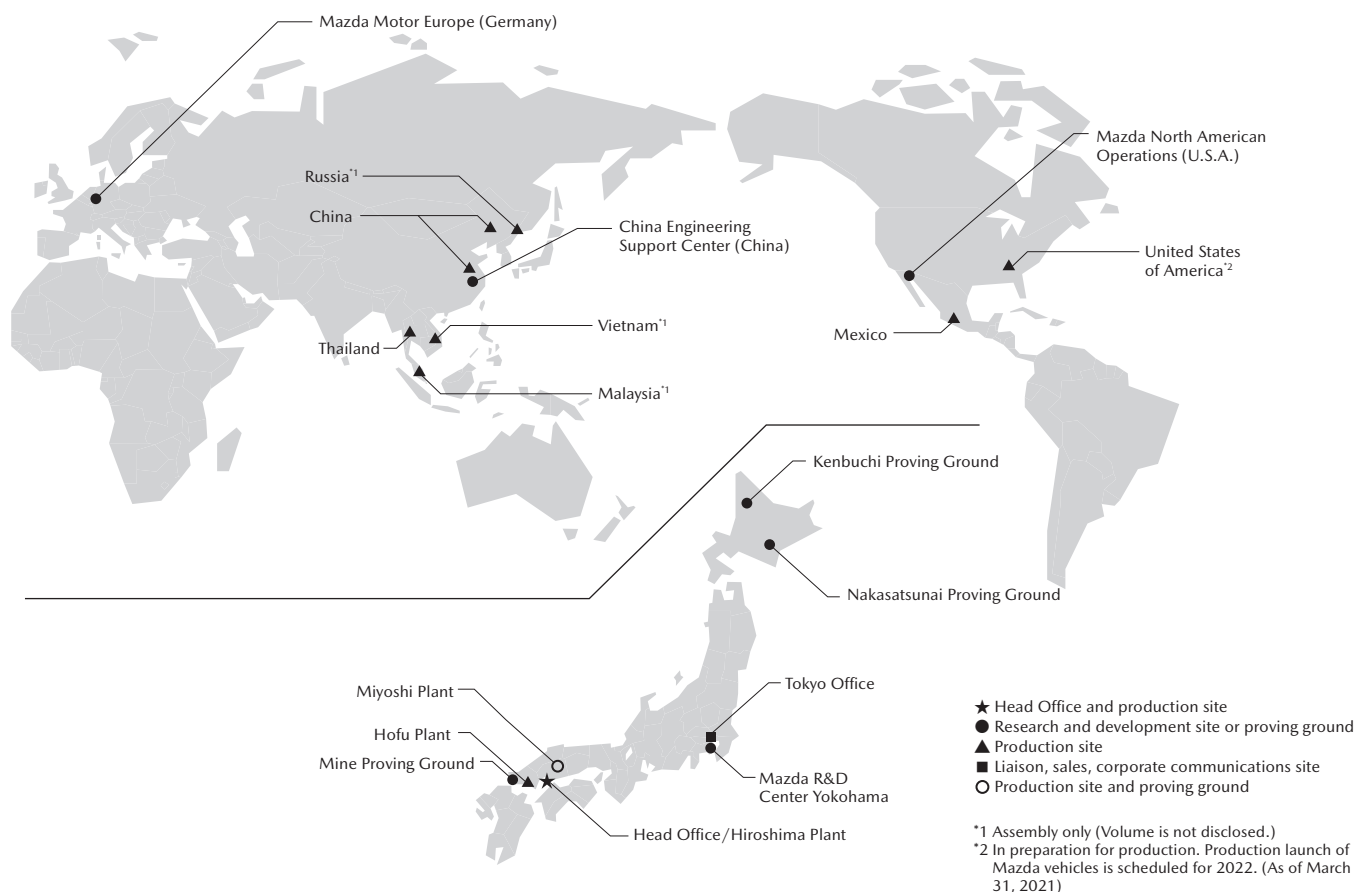
## Corporate Profile (as of March 31, 2021)

Company name:	Mazda Motor Corporation	Research and development sites:	Head Office, Mazda R&D Center (Yokohama), Mazda North American Operations (U.S.A.), Mazda Motor Europe (Germany), China Engineering Support Center (China)
Founded:	January 30, 1920	Production sites:	Japan: Hiroshima Plant (Head Office, Ujina), Hofu Plant (Nishinoura, Nakanoseki), Miyoshi Plant Overseas: China, Thailand, Mexico, Vietnam, <sup>2</sup> Malaysia, <sup>2</sup> Russia <sup>2</sup>
Head Office:	3-1 Shinchu, Fuchu-cho, Aki-gun, Hiroshima 730-8670, Japan	Sales companies:	Japan: 212, Overseas: 136
Main business lines:	Manufacture and sales of passenger cars and commercial vehicles	Principal products:	Four-wheeled vehicles, gasoline reciprocating engines, diesel engines, automatic and manual transmissions for vehicles
Stock information:	1,200,000,000 total shares issuable 631,803,979 total outstanding shares 146,297 shareholders		
Capital:	284 billion yen		
Employees:	Consolidated Total: 49,786 <sup>1</sup>		

<sup>1</sup> Excluding the number of Mazda Group employees dispatched to companies outside the Group, but including the number of employees dispatched to Mazda Group companies from outside the Group.

<sup>2</sup> Assembly only (Volume is not disclosed.)

## Global Network (as of March 31, 2021)



<sup>1</sup> Assembly only (Volume is not disclosed.)

<sup>2</sup> In preparation for production. Production launch of Mazda vehicles is scheduled for 2022. (As of March 31, 2021)

For more details about major facilities, see Company Profile 2021 (pp.16-29.)  
<https://www.mazda.com/en/about/profile/library/>

## Other Information

### Official website Sustainability

Mazda's sustainability initiatives and other general information  
<https://www.mazda.com/en/sustainability/>



**Mazda Sustainability Report**  
<https://www.mazda.com/en/sustainability/report/>



**Annual Report**  
<https://www.mazda.com/en/investors/library/annual/>



**Mazda Technical Review**  
<https://www.mazda.com/en/innovation/technology/mazda-technical-review/>  
 (For English, Summary is available)





# HISTORY OF MAZDA

# 1920

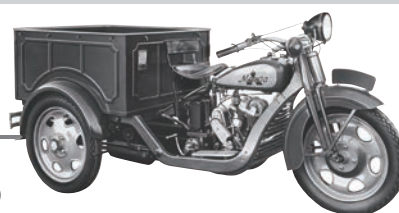
Corporate

Product\*

- 1920.1 Toyo Cork Kogyo Co., Ltd. is founded
- 1921.3 Jujiro Matsuda becomes president
- 1927.9 Company becomes Toyo Kogyo Co., Ltd.



1920-



1930

- 1930.9 New plant is constructed in Hiroshima (Fuchu-cho, Aki-gun)
- 1932 Export of 3-wheel trucks begins
- 1936.4 Caravan of 3-wheel trucks from Kagoshima to Tokyo (advertising campaign)
- 1936.4 New logo is introduced



1936.4-

1931.10  
Production of 3-wheel truck  
"Mazda-go DA model," Mazda's first automobile, begins

1940

- 1945.8 Mazda loans part of Head Office building to Hiroshima prefectural government, court, news media, etc. Regarding the Hiroshima prefectural government all functions are temporarily transferred there (until July 1946)
- 1945.12 Production of 3-wheel trucks suspended since August 1945 resumes
- 1949.8 3-wheel trucks export restart

1950

- 1951 New logo is introduced
- 1951.12 Tsuneji Matsuda becomes president
- 1959.7 New logo is introduced



1951-



1959.7-

1950.6  
4-wheel light truck  
"CA model" is launched



1960

- 1961.7 Mazda enters into technical cooperation with NSU/Wankel on rotary engines
- 1963.3 Cumulative domestic production reaches 1 million vehicles
- 1965.5 Miyoshi Proving Ground is completed
- 1966.11 Operations at new passenger car plant (Ujina) in Hiroshima begin



- 1967.3 Full-scale exports to the European market begin

1960.5  
"R360 Coupe," Mazda's first passenger car, is launched



1962.2  
The first "Carol" is launched



1963.10  
The first "Familia" is launched



1966.5  
The first "Bongo" is launched



1967.5  
"Cosmo Sport (110s)," Mazda's first rotary engine vehicle is launched (Selected as the Japan Automotive Hall of Fame's "2003 Historic Car of Japan")



1966.8  
The first "Luce" is launched



1970

- 1970.4 Exports to the U.S. begin
- 1970.11 Kouhei Matsuda becomes president
- 1975.1 New logo is introduced
- 1977.12 Yoshiki Yamasaki becomes president
- 1979.6 Cumulative domestic production reaches 10 million vehicles
- 1979.11 Ford Motor Company and Mazda enter into a capital tie-up



1975.1-

1970.5  
The first "Capella (RX-2)" is launched



1971.8  
The first "Titan" is launched



1971.9  
The first "Savanna (RX-3)" is launched



1975.10  
The first "Cosmo" is launched



1978.3  
The first "Savanna RX-7 (RX-7)" is launched



1980

- 1981.12 Operations at Hofu Transmission Plant (Nakanoseki district) begin
- 1982.9 Operations of manufacturing passenger cars at Hofu plant (Nishinoura district) begin
- 1984.5 Company is renamed Mazda Motor Corporation
- 1984.10 Mazda Foundation is established
- 1984.11 Kenichi Yamamoto becomes president
- 1985.1 Mazda Motor Manufacturing (USA) Corporation (MMUC), now Auto Alliance International (AAI), is established (-2012.8)
- 1987.4 Cumulative domestic production reaches 20 million vehicles
- 1987.6 New research center is opened in Yokohama, Japan (the current Mazda R&D Center Yokohama)
- 1987.12 Norimasa Furuta becomes president
- 1988.4 Mazda Technical College is established
- 1988.5 Mazda Research and Development Center is established in Irvine, CA (U.S.)

1980.6  
"Familia (GLC/323)" is fully redesigned (Receives the "1980-1981 Car of the Year Japan")



1982.9  
"Capella (Telstar)" is fully redesigned (Receives the "1982-1983 Car of the Year Japan")



1989.9  
The first "Roadster (MX-5)" is launched (Selected as the Japan Automotive Hall of Fame's "2019 Historic Car of Japan")



1990

- 1990.1 Hokkaido Kenbuchi Proving Ground for cold-weather testing is completed
- 1990.5 European R&D Representative Office (MRE) is completed
- 1991.12 Yoshihiro Wada becomes president
- 1995.4 Cumulative domestic production reaches 30 million vehicles
- 1995.11 Mazda and Ford jointly establish Auto Alliance (Thailand) Company Limited (AAT), a joint venture production company
- 1996.3 Mazda website is opened
- 1996.6 Henry D.G. Wallace becomes president
- 1997.6 New logo is introduced
- 1997.11 James E. Miller becomes president
- 1999.12 Mark Fields becomes president



1997.6-

1991.6  
Mazda 787B wins the 59th Le Mans 24-Hour Endurance Race, claiming the first ever victory for a Japanese automobile



1990.1  
The first "MPV" is launched



1991.12  
"RX-7" is fully redesigned (Receives the "1991-1992 RJC New Car of the Year")



1999.4  
The first "Premacy (Mazda5)" is launched



\* Launch date is based on the Japanese market

2000

Corporate	
2000.11	Mid-term plan "Millennium Plan" is announced
2002.1	Hokkaido Nakasatsunai Proving Ground is completed
2002.4	New brand statement "Zoom-Zoom" is introduced
2002.6	Lewis Booth becomes president and CEO
2003.1	Production of "Mazda6" commences at FAW Car Company in China
2003.8	Hisakazu Imaki becomes president and CEO
2004.11	Mid-term plan "Mazda Momentum" is announced
2005.8	China Engineering Support Center is opened
2006.5	Mine Proving Ground is completed
2007.3	Mid-term plan "Mazda Advancement Plan" is announced
2007.3	Long-term vision for technology development "Sustainable Zoom-Zoom" is announced
2007.4	Operations commence at an engine manufacturing plant in China (CFME, now CME)
2007.7	Cumulative domestic production reaches 40 million vehicles
2007.10	Operations commence at a manufacturing plant in Nanjing, China (CFMA, now CMA)
2008.11	Takashi Yamanouchi becomes president and CEO

Product*	
2000.7	"Roadster (MX-5)" is recognized by Guinness World Records as the world's largest production of lightweight open two-seater sports car
2003.4	"RX-8" is launched (Receives the "2004 RJC Car of the Year")
2005.8	"Roadster (MX-5)" is fully redesigned (Receives the "2005-2006 Car of the Year Japan")
2006.3	Global presentation of the first "BT-50" at Bangkok International Motor Show
2006.10	Production of the first "CX-9" commences
2007.7	"Demio (Mazda2)" is fully redesigned (Receives the "2008 RJC Car of the Year" and the "2008 World Car of the Year")
2009.3	Leasing of hydrogen vehicle, "Premacy Hydrogen RE Hybrid," is started
2002.5	The first "Atenza (Mazda6)" is launched (Receives the "2003 RJC Car of the Year")
2003.10	The first "Axela (Mazda3)" is launched
2006.2	Leasing of hydrogen vehicle, "RX-8 Hydrogen RE," is started
2006.12	"CX-7" is launched
2008.7	"Bianter" is launched

2010

2010.4	"Framework for Medium-and Long-term Initiatives" is announced
2012.2	"Structural Reform Plan" is announced
2012.9	Mazda and Sollers establish Mazda Sollers (MSMR), a joint venture production company in Russia
2012.9	Mazda and Bermaz establish Mazda Malaysia (MMSB), a joint venture company
2013.1	Business agreement is concluded for the development and production of Fiat brand two-seater convertible sports car
2013.6	Masamichi Kogai becomes president and CEO
2014.1	Operations commence at Mazda de Mexico Vehicle Operation (MMVO), a production facility in Mexico
2015.1	Operations commence at Mazda Powertrain Manufacturing (Thailand) (MPMT), a transmission plant in Thailand
2015.4	"Structural Reform Stage 2" is announced
2015.4	New Corporate Vision is established
2017.8	Agreement is entered into with Toyota on business and capital tie-up
2017.8	Long-term vision for technology development "Sustainable Zoom-Zoom 2030" is announced
2018.3	Mazda and Toyota establish a joint-venture company, "Mazda Toyota Manufacturing U.S.A."
2018.5	Cumulative domestic production reaches 50 million vehicles
2018.6	Akira Marumoto becomes president and CEO
2019.11	"Medium-Term Management Plan" is announced

2010.10	Skyactiv Technology is announced
2012.11	"Atenza (Mazda6)" is fully redesigned (Receives the "2014 RJC Car of the Year")
2013.6	Commenced public road test of leased hydrogen vehicles, "Premacy Hydrogen RE Range Extender EV"
2013.11	"Axela (Mazda3)" is fully redesigned
2015.2	"CX-3" is launched
2015.5	"Roadster (MX-5)" is fully redesigned (Receives the "2015-2016 Car of the Year Japan," the "2016 World Car of the Year," and the "2016 World Car Design of the Year")
2015.7	"Mazda BT-50" is fully redesigned and production commences in Thailand
2016.4	"CX-4" makes its world debut
2016.12	"CX-5" is fully redesigned
2019.5	"Mazda3" is launched (Receives the "2020 World Car Design of the Year")
2012.2	"CX-5" is launched (Receives the "2012-2013 Car of the Year Japan")
2014.9	"Demio (Mazda2)" is fully redesigned (Receives the "2014-2015 Car of the Year Japan")
2016.2	"CX-9" is fully redesigned and production commences
2016.7	A series of Mazda's vehicle motion control technologies "Skyactiv Vehicle Dynamics" is announced
2017.8	New-generation gasoline engine "Skyactiv-X" is announced
2017.12	"CX-8" is launched
2019.9	"CX-30" is launched

2020

2020.1	Mazda marks the 100th anniversary of its founding
2020.11	Medium-Term Management Plan is revised

2020.6	"BT-50" is fully redesigned and makes its world debut
2020.10	"MX-30" is launched (Receives "Design Car of the Year" at the "2020-2021 Car of the Year Japan")

2021

\* Launch date is based on the Japanese market

### Request for cooperation in answering our questionnaire survey

Your frank opinions and comments regarding Mazda Corporate Profile/Sustainability Report [Digest Version] 2021 would be highly appreciated.

[https://mag.mazda.jp/form/pub/sustainability/questionnaire\\_en](https://mag.mazda.jp/form/pub/sustainability/questionnaire_en)



### About the Cover Page

Mazda's first mass-production electric vehicle, the Mazda MX-30, was designed to offer time and space to fulfill our customers' wishes, under the theme "Living true to yourself." With particular focus on enhanced comfort and ease of use, its cabin interior features sustainable materials, such as naturally derived cork and fibers made from recycled plastic bottles.

### Mazda Motor Corporation CSR & Environment Department, Corporate Services Division

Head office: 3-1 Shinchi, Fuchu-cho, Aki-gun, Hiroshima 730-8670, Japan  
Issued: March 2022

Disclaimer: This report includes future projections for Mazda Motor Corporation and its Group companies' performance based on plans, forecasts, management plans, and strategies at the time of publication, in addition to actual past and present facts. Such forward-looking statements are predictions based on information or assumptions available at the time of edit, and may differ from future operational results due to changes in circumstances.