

RESPECT FOR PEOPLE

Mazda aims to be a company staffed by people who enjoy their work. To this end, the Company promotes personal development revolving the principles of the Mazda Way. Mazda also regards respect for human rights as fundamental to its corporate activities, and is actively and sincerely committed to human rights protection activities.

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CSR Targets for FY March 2018

(Self-assessment key ○ : Accomplished, △ : Nearly accomplished, × : Not accomplished)

Items	ISO 26000 core subjects	FY March 2017 targets	FY March 2017 results	Self-assessment	FY March 2018 targets
Achieving of diversity	6.3 Human rights	Continue to respect the diversity of employees. ① Continue and evolve training and effective development of top management in each region. ② Steadily implement plans for training female managers, toward achieving the target number of female managers.*1 ③ Continue to achieve the legally required percentage of employees with special needs (2.0%) and promote employment of intellectually/mentally-challenged people.*1	① Held meetings (twice a year) aimed to formulate a plan for developing successors of top management of Group companies, and implemented collective training and project work for successor candidates. ② Specified female candidates in assistant manager level for management positions in the future and drew up individual development plans for them. The progress is followed up by each division. Candidates participated in cross-industrial exchange events arranged for female assistant managers of companies located in Hiroshima Prefecture (four times a year, 24 participants from Mazda).*1 ③ Maintained the legally required percentage of employees with special needs (2.0%) and promoted employment of intellectually/mentally-challenged people (11 people employed as of the end of March 2017).*1	○	Continue to respect the diversity of employees. ① Continue and evolve training and effective development of top management in each region. ② Steadily implement plans for training female managers, toward achieving the target number of female managers.*1 ③ Continue to achieve the legally required percentage of employees with special needs (2.0%) and promote employment of intellectually/mentally-challenged people.*1
Human resource development	6.4 Labor practices	Strengthen initiatives to promote understanding of brand value management and its practice, and check the progress of these initiatives.	• Held training themed on the implementation of brand value management practices for management of the Mazda Group (MBLD#13), and cascaded the program in each region gradually from management to employees (part of the cascading to employees to be carried out in FY March 2018). • Held cross-industrial exchange events to understand the importance of strengthening bonds with customers, to provide employees opportunities for practical activities and to provide chances to improve employees' loyalty to the Company (FY March 2017 results: 530 participants).*1	○	Strengthen initiatives to promote understanding of brand value management and its practice, and check the progress of these initiatives.
Work-life balance	6.4 Labor practices	Improve the quality of various measures for further implementation of work-life balance.*1	• Held labor-management discussions on reduction of overtime work. Continued discussions to improve business competitiveness along with keeping the work-life balance.*1 • Increased both the rate and the average number of paid vacations : to 86%, up 4% from the previous year, to 16.5, up 0.9 days from the previous year. Reached labor-management agreement regarding the minimum number of paid vacations days taken a year (11 or more days for all employees).*1	○	Improve the effective use of various measures to further improve the work-life balance.*1
Occupational safety and health	6.4 Labor practices	Promote activities based on the Safety and Health Management System. ① Continue risk assessment and improvement activities based on the assessment results.*1 ② Continue system auditing and share best practices with the related divisions.*1 ③ Achieve Japan's lowest-level workplace accident occurrence ratio, and consolidate the results of workplace accident occurrence surveys of Group companies on a global basis.	① Surveyed/identified dangerous or hazardous factors and then conducted activities to remove/reduce these factors, resulting in a 93% reduction in high-risk factors.*1 ② Updated the audit check sheets and conducted system auditing in all divisions.*1 ③ Total accident frequency rate*2: 0.33 (improved by 0.05 points from FY March 2016, and ranked 3rd among 14 JAMA companies). Started to collect and analyze data on the results of workplace accident occurrence surveys of Group companies in earnest (mainly production sites).	○	Promote activities based on the Safety and Health Management System. ① Continue risk assessment and improvement activities based on the assessment results.*1 ② Continue system auditing and share best practices with the related divisions.*1 ③ Achieve Japan's lowest-level workplace accident occurrence ratio, and consolidate the results of workplace accident occurrence surveys of Group companies on a global basis.
Industrial relations	6.4 Labor practices	Maintain sound labor relations in each region on a global basis, based on the legislation, culture, and labor practices in respective countries.	Maintained and improved sound labor relations through mutual communication between labor and management in Mazda Corporation and in each region (resulting in no collective labor disputes).	○	Maintain sound labor relations in each region on a global basis, based on the legislation, culture, and labor practices in respective countries.
Respect for human rights	6.3 Human rights	① Continue to support international initiatives, including the Universal Declaration of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. ② Encourage Group companies/suppliers to use materials and manuals of Mazda's human rights awareness raising activities, for training by level*3 and human rights meetings (to start LGBT-related initiatives).	① Continued to clarify support for both declarations, in the Mazda Sustainability Report 2016. ② Executed the following activities as scheduled, to raise awareness of human rights*1: • Held human rights lectures using an external program, for management (department general managers and above) twice (themes: "Hate speech" and "What is discrimination?"). • Held training by level and human rights meetings, and encouraged Group companies to use materials and manuals designed for Mazda's human rights awareness raising activities. • Held special training programs at the Hiroshima Plant and the Hofu Plant, both of which have particularly large numbers of employees. Held a new training program for managers there aimed at improving their interpersonal skills (FY March 2017 results: 50 participants). • Revised the Rules to Eliminate Human Rights Violations and the Guidelines on Eliminating Human Rights Violations, in response to the legal revisions made to the Child Care and Family Care Leave Act and the Equal Employment Opportunity Law for Men and Women, and applied the revised rules and guidelines to Group companies in Japan. • Planned LGBT-related initiatives (held a human rights lecture at the Company in July 2017).	○	① Continue to support international initiatives, including the Universal Declaration of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. ② Encourage all divisions across the Company, Group companies and suppliers to use materials and manuals of Mazda's human rights awareness raising activities, for training by level,*3 including the programs to understand LGBT issues.
Due diligence	6.3 Human rights	Continue surveys and follow-up of the status of human rights initiatives throughout the value chain.	Promoted human rights initiatives throughout the value chain, recognized the status of these initiatives, and conducted surveys of these initiatives, as planned. • Applied Mazda working regulations and other policies as well as materials for human rights meetings to Group companies, dealerships, and parts sales companies in Japan. • Provided advance guidance to employees dispatched to overseas Group companies on local cultures and customs. • Responded to consultations from suppliers submitted to the Human Rights Counseling Desk. • Checked the expressions used to disseminate information inside and outside the Company for human rights infringements.	○	Continue surveys and follow-up of the status of human rights initiatives throughout the value chain.

*1 Initiatives at Mazda Motor Corporation (FY March 2017 results and FY March 2018 targets).

*2 Results between January and December 2016. Accident frequency, measured as the number of casualty figure per million person-hours worked.

*3 Training programs for new recruits, mid-career hires, new band 5 (assistant manager level) and newly appointed managers.

INITIATIVES WITH EMPLOYEES

Basic Approach to Human Resources

Mazda recognizes that people are its most important resource and aims to be a company staffed by people who enjoy their work.

To this end, the Company 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.

Mazda Way

In FY March 2009, Mazda summarized seven basic principles and values handed down within the Company over time and defined these as the Mazda Way. In FY March 2017, examples of best work practices conducted within the Company were shared to encourage the implementation of such practices, in order to raise awareness of the Mazda Way in each Mazda employee and promote related changes in behavior. Mazda continues to promote measures to ensure that the Mazda Way can easily be put into practice by employees.

a

Group-wide Human Resources Policies

Mazda engages in regular communication with Group companies worldwide, and each Group company is working together to create further opportunities for interaction among personnel and cultivate a climate based on a shared point of view.

Overseas Group companies have established a system to conduct management strongly rooted in local communities. By appointing locally hired personnel as managers and above, the Company makes global efforts to create a comfortable working environment tailored to the culture of each country and region.

b

Measures

Global Personnel Development Committee*1

Mazda is aiming to provide medium- to long-term training for employees to become leaders in every field of global business and ensure their optimal positioning and performance. Top managements of Mazda Motor Corporation and its Group companies discuss and decide the development and exchange plan for individual personnel in these companies.

Regular Meetings with Human Resources Managers of Group Companies

- Bimonthly regular meetings with overseas regions
- Biannual global human resource meetings with the managements in charge of human resources of major overseas bases
- Half-yearly meetings with domestic Group companies located on the premises of the Head Office (Hiroshima)

Global Personnel Exchange and Employment

Mazda implements short- and medium-term human resources exchanges throughout the Group as a whole, through the Global PDC (Global Personnel Development Committee) and other measures, to enable a diverse range of employees to succeed on the global stage regardless of their country of origin or place of employment.

In Japan, Mazda promotes the initiative to enhance the Group's collective strength, by such arrangement like the company briefing sessions with the Group companies jointly. In overseas countries/regions, each of the Group companies employ the personnel suited to each country and region, conducting a unique recruitment procedure respectively.

Short-term Personnel Exchange Program

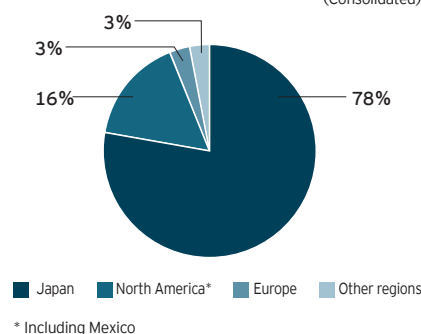
This program is mainly designed for employees in mid-level positions, with the aim of developing human resources who can be immediately effective in global business settings. Suitable employees in the Head Office are exchanged with their counterparts in overseas regions to gain opportunities for overseas business experience for a short term (three to six months). In the seven years from FY March 2011, when the program commenced, to FY March 2017, a total of 25 employees were exchanged.

a 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."

Rate of employees by region

(Consolidated)



b Rate of locally hired personnel assigned to management-level in overseas Group companies

(Consolidated)

Employment rate in FY March 2017	70%
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*1 The Personal Development Committee (PDC) comprises four committees: PDC1 and Global PDC, which cover personnel in domestic and overseas global companies; PDC2, which covers the personnel in middle management of Mazda Motor Corporation; and PDC3, which covers employees of Mazda Motor Corporation excluding PDC1 and PDC2 level.

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 and find a healthy balance between their work and personal lives.

Increasing the Employment and Range of Opportunities for Female Employees*1

Through enhancement of measures promoting work-life balance and other initiatives, Mazda is striving to cultivate a workplace in which women can work comfortably, with the ratio of female employees steadily increasing.

Mazda has set the goal of increasing the number of female middle managers and above to three times the figure as of March 31, 2014 by 2020.*2 To achieve this numerical target, the Company has promoted initiatives according to voluntary action plans. Recently Mazda submitted these voluntary plans to the authority concerned as the business owner's action plans, based on the Act of Promotion of Women's Participation and Advancement in the Workplace.

In the future, Mazda will continue to draw up and implement individual development plans for female candidates for middle and above management positions and also further promote the opportunities for female employees, by improving training and promoting female employee recruitment.

Employment for Those with Special Needs*1

Mazda steadily and continuously recruits employees with special needs, considering that each employee can demonstrate his/her best performance. In support of a comfortable working environment for employees with special needs, Mazda has established the Physical Challenge Support Desk for consultations.

In FY March 2016, the Company started to employ mentally challenged people.

Mazda has also assigned two sign-language interpreters to further ensure information provision to people with hearing impairments (as of April 2017).

In March 2014, the Company was certified as an Ai Support Company/Organization under the Ai Support campaign*3, by Hiroshima Prefecture. Mazda participates in this campaign with the aim of helping realize a society where all people can live in harmony and in comfort, regardless of whether they are with or without special needs.

The Company has also registered itself with the "special support school employment support unit Hiroshima"*4 to carry out the internship program for mentally challenged students, as part of its collaboration with the local community to promote employment of people with special needs.

Promoting Re-Employment of the Elderly, and Passing on Expertise, Skills, and Know-How*1

Mazda is actively re-employing retired former employees to help them share their expertise, skills, and know-how with younger employees.

Efforts are being made to create a work environment that is fulfilling yet able to balance work and personal life through measures such as reduced work hours and shorter days.

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, in response to the revised Act on Stabilization of Employment of Elderly Persons, which took effect in April 2013.

Systems to Enable Limited-Term Employees in Manufacturing Operations to Become Fulltime Employees and Mazda Workers' Union Members*1

Mazda is implementing ongoing measures toward the achievement of a workplace in which limited-term employees can feel fulfilled with their work.

A system has been put in place for limited-term employees who have worked for one year or more at Mazda in becoming full-time employees.

In addition, limited-term employees who have worked for six months or more and had their contracts renewed can become members of the Mazda Workers' Union. Through these and other initiatives, the Company is cultivating a sense of oneness among employees with different employment styles as it aims to cultivate a vibrant environment where employees can enjoy their work.

Employee Data (as of March 31, 2017) (see p. 140)

		Number of Employees		Average age*3	Average years of employment*3
		Production / medical	Administrative / engineering		
Nonconsolidated*1	Male	9,921	10,208	40.1	17.1
	Female	670	1,322	37.2	13.7
	Total	22,121	39.8	16.8	
Consolidated*2	Total	48,849	—	—	

*1 The "Non-consolidated" numbers exclude the number of employees dispatched to Mazda Motor Corporation from other companies, but include the number of Mazda Motor Corporation employees dispatched to other companies.

*2 The "Consolidated" numbers exclude the number of Mazda Group employees dispatched to companies outside the Group, but include the number of employees dispatched to Mazda Group companies from outside the Group.

*3 Exclude the number of employees hired under the Expert Family system.

	(Non-consolidated)		
	FY March 2015	FY March 2016	FY March 2017
Number of female employees hired	117	144	133
Number of female managers (assistant manager and above)	162	173	190
Number of female managers (middle management and above)	24	29	36
Percentage of female managers*1 (assistant manager and above)	4.0%	4.3%	4.6%
Percentage of female managers*2 (middle management and above)	1.7%	2.0%	2.5%
Number of male managers (middle management and above)	1,392	1,409	1,419
Number of workers aged 60 and over (Expert Family)	1,114	1,067	1,042
Percentage of employees with special needs*3	2.02% (Legal rate: 2.0%)	2.02% (Legal rate: 2.0%)	2.03% (Legal rate: 2.0%)
Number of employees with special needs*3	287	295	303
Average age of managers	51.5	51.9	52.0
Employee turnover rate*4	3.6%	3.1%	2.8%
Number of new graduates hired	Male 215	459	449
	Female 66	87	77

*1 Number of female managers (assistant manager and above)/Number of managers (assistant manager and above)

*2 Number of female managers (middle management and above)/Number of managers (middle management and above)

*3 Average number in each fiscal year

*4 Exclude the number of employees hired under the Expert Family

Global rate of female middle managers and above

	(Consolidated)
FY March 2017	6.4%

Percentage of female new graduates hired (from FY March 2016 to FY March 2018)

	(Non-consolidated)		
	FY March 2016	FY March 2017	FY March 2018
Administrative	36%	35%	37%
Engineering	6%	11%	15%
Production	11%	10%	11%

Subject to independent third-party assurance

*1 Initiatives at Mazda Motor Corporation

*2 "Mazda Promoting Active Participation of Female Employees"
http://www2.mazda.com/en/csr/csr_vision/employee/pdf/diversity.pdf

*3 "Ai" is Love in English. The Ai Support campaign is intended to certify companies and organizations that recommend their employees to read the textbook "Let's Learn about and Live with People with Special Needs," and to participate in Ai Supporter training programs.

*4 A program to promote the employment of special school students through collaboration between local companies and Hiroshima Prefecture.

Best Match of People, Work and Rewards

Mazda has put in place a system to ensure that each employee understands their work evaluation results and ability level assessments, and feels that their growth and performance are appropriately reflected in their compensation. Specifically, since 2003, instead of using gender, age, nationality, or years of service as criteria, employees are graded according to their ability level (production and medical staff) and work level (administrative and engineering staff), so that individual employee's performances are directly reflected in their base salaries and bonuses.

In wage determination, Mazda is in compliance with local laws and regulations in each region both in Japan and overseas, considering industry standards. **c d**

Global Employee Engagement Survey

Employee Engagement surveys have been conducted on a continual basis at Mazda since FY March 1988. These surveys are intended to identify employees' work motivation and the conditions in the environment supporting such motivation, and the results are used to make further improvements. Since FY March 2009, these surveys have been expanded to include Group companies in Japan and overseas. **e**

The survey results are reported to top managements of Mazda and its Group companies at home and abroad, and the major contents are disclosed to employees. The results for each division/company are fed back to its management-level members, who are thereby encouraged to develop improvement plans as part of the PDCA (plan-do-check-act) cycle.

Percentage of Positive Responses in Global Employee Engagement Survey Results in FY March 2017 (Consolidated)

	FY March 2015	FY March 2016	FY March 2017
I would like to work at Mazda/Mazda Group companies as long as possible.	78%	79%	79%
I make efforts to develop my knowledge or skills at work for which I am responsible as a professional.	77%	77%	79%
I feel motivated to go beyond my formal job responsibility.	74%	75%	76%
I understand the relationship between my job and this company's strategy and goals.	70%	71%	72%
I try my best to exceed the expectations of customers and stakeholders at work by putting myself in their position.	74%	75%	78%
I consider how I can act or behave in line with Mazda's Corporate Vision and deal to be pursued.	61%	63%	62%
I propose and implement ways of working that enable me to realize Mazda's Corporate Vision and deal to be pursued.	57%	58%	59%

Choice and Self-Accomplishment

Mazda provides various opportunities for employees to take the initiative in setting their own growth and performance goals and doing their best to achieve them, so that ultimately, such efforts will bring great results to the Company. Mazda offers a range of education and training programs to assist employees in developing their careers and improving their skills according to their job types and positions. These programs are for Mazda and its Group companies in Japan and overseas to manufacture and sell products of the same quality in all countries and regions, by sharing the same objectives. **f**

C Average yearly salary (Non-consolidated)

	FY March 2015	FY March 2016	FY March 2017
Total	6,704,000 yen	6,812,000 yen	6,846,000 yen

d Average salary by gender (Non-consolidated, in April 2017)

	Male	Female
Middle management and above positions	635,947 yen	584,178 yen
General employees	310,812 yen	298,461 yen

e

Examples of Improvement Measures at Workplaces Based on Survey Results

- Organizing divisional town hall meetings (for explanation of strategies/policies and holding discussions) and meetings with senior management
- Promoting idea sharing and strengthening teamwork by activating small-group activities

f Education/training results in FY March 2017 (Non-consolidated)

Average days of training per person	9.6 days/year
Average training cost per person	141,100 yen/year
Number of employees that received training	20,000 employees/year

Major Education and Training Programs

Name of education and training program	Duration, frequency, etc.	Target	Objective	Content of training	Remarks
Mazda Business Leader Development (MBLD)	Once a year	All Group employees in Japan and overseas	<ul style="list-style-type: none"> To communicate the intention of the top management To cultivate business leaders at all levels who have a company-wide perspective. To reform the corporate culture and climate. 	Regarding management issues and the future direction of the Company, message from the management team is delivered. The understanding and the future execution of the message through active participation by all employees is promoted	Commenced in 2000. Since FY March 2013, the program has been annually implemented on the theme of "Brand Value Management."
Global Business Leader Program	As needed	Employees selected from Mazda Group companies around the world	To hone skills in areas including leadership, broadness of vision, and the ability to think strategically, and train the next generation of business operators to take the lead in global business	The program features practical activities such as communication with top business leaders and engagement as a team on management issues.	Inaugurated in FY March 2016
Human Resource Development at Global Production Sites	As needed	Management and production staff at overseas production sites	To provide basic training by level to employees working at overseas production sites	<ul style="list-style-type: none"> Management training Supervisor education program Technical skills training Karakuri Kaizen training 	—
Training by level*1	As needed	Administrative and engineering staff*1	To encourage employees to reconfirm their roles at each level, and consider how they can help improve the organizational strength of the Company.	<ul style="list-style-type: none"> Training for third-year employees Training for band 6 employees Training through communication between departments for band 5 employees 	Each training program is designed to promote changes in the employees' ways of thinking, through group discussion among members from different departments
Management skill training*1	When newly appointed	Newly appointed senior managers, new band 5 employees (assistant manager level)*1	To develop trainees' awareness and sense of responsibility as managers and urge them to acquire a companywide perspective, thereby altering their mindset toward their own roles	Mazda Way, CSR, compliance, internal controls, personnel management, human rights, safety and health, etc.	—
Production Leader Training Program*1	As needed	Foreman/Assistant Foreman/Team Leader candidates*1	To develop trainees' abilities to recognize and resolve problems, management improvement skills, and leadership capabilities and other skills required to work as a leader at each level.	<ul style="list-style-type: none"> Super leader training Senior leader training Team leader training Junior leader training 	—
WorldSkills Competition Training Program*1	Two years / 12 employees	Selected employees in the production field who are under 21 years old*1	<ul style="list-style-type: none"> Systematic training of young engineers Training participants to compete in the regional, national and international WorldSkills competitions 	Employees are trained in special skills so as to participate in the WorldSkills competition	Training is conducted by past high achievers at the WorldSkills competition.
Advanced Technical Skills Training course*1	As needed	Selected highly skilled employees*1	To preserve the advanced technical skills necessary for manufacturing and hand them down from one generation of craftspeople to the next	Twenty-four courses comprising skills to pass on to new engineers are available in 13 fields: iron and casting, die casting, casting, powder alloys, heat treatment, machining, engine assembly, axle assembly, transmission assembly, press, chassis, painting, and vehicle assembly	<ul style="list-style-type: none"> Inaugurated in FY March 1997 During the two-year program, one expert trains two apprentices After completing the course, students are awarded the title of Production Engineering Meister and receive the Meister Badge.
Welding Skills Training Program*1	As needed	Welding technicians*1	<ul style="list-style-type: none"> To train technicians to compete in the regional and national competitions To promote the growth of individual technicians, pass on skills within Mazda and raise standards 	Specialized training is conducted with the goal of sending welding technicians to complete in the national championships	—

*1 Initiatives at Mazda Motor Corporation

WorldSkills Competition Results		Cumulative Results since 1962	
Results of FY March 2017			
The 54th National Annual WorldSkills Competition		Number of contestants from Mazda	494
Gold and silver medals in Sheet Metal Technology	1 of each	International competition winners	6
Silver medal in Car Painting	1	International competition prize recipients	28
		National competition winners	42
		National competition prize recipients	207

Data Related to the Advanced Technical Skills Training Course	
Cumulative Results since 1996	
Number of employees completing the course	129
Production Engineering Meisters	61
Hiroshima Prefecture award winning skilled workers	16
Contemporary Master Craftspeople	13
Medal with Yellow Ribbon recipients	15

Welding Competition Results	
Cumulative Results since 1982	
National competition winners	9
Prize recipients	34

TOPICS

1st Global Competition for Production Skills Held

The 1st Global Competition was held, at which employees of the entire Mazda Group competed in terms of their production skills. First held in FY March 2017, the Competition comprised the following four events: robot operation, engine assembly, painting, and vehicle assembly. Employees representing Japan, China, Thailand and Mexico, where major production sites are located, took part in the Competition. One of them commented, "I wish to contribute to the further growth of Mazda, making effective use of my experience in participating in this Competition for our everyday work."



EMPLOYEE'S VOICE

Pursuing the Manufacturing of High-Quality Products while Working together with the Mazda Head Office and Other Manufacturing Sites

I am in charge of the training and instruction of employees in the area of engine assembly at the manufacturing site in Mexico. In addition to just instructing skills, I make it a rule to carefully educate employees by delivering knowledge about each part and explaining the objective of each work process. In FY March 2017, I put my energies into training employees who would participate in the Global Competition for production skills held in August at the Mazda Head Office. Participating in this competition enhanced their motivation and improved work skills. I will continue to closely communicate and work together with Mazda Head Office and other manufacturing sites to learn each other, in pursuit of the manufacturing of high-quality products.

Brenda Sanchez Morado

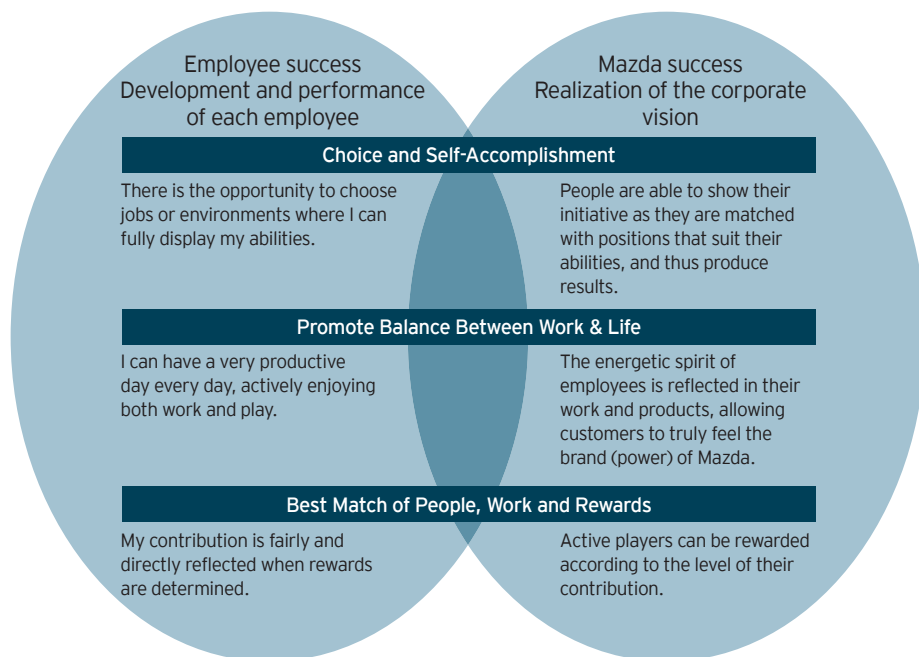
Person in charge of engine assembly
Mazda de Mexico Vehicle Operation (MMVO)

Human Resources System to Provide Appropriate Jobs and Environments*¹

Mazda uses the *Tobiuo**² Human Resources System to provide the appropriate jobs and environments where each employee can demonstrate their best performance and to support their development and success.

Specifically, a wide variety of human resource measures are actively deployed based on the system's three pillars of "Choice and Self-Accomplishment," "Promote Balance between Work and Life," and "Best Match of People, Work and Rewards."

The Three Pillars of *Tobiuo*



*1 Initiatives at Mazda Motor Corporation
*2 Tobiuo means flying fish in English

Career Meetings*¹

At Mazda, opportunities for formal communication are provided for all employees through one-on-one career meetings between supervisors and their staff, held four times a year. The things that employees should do, the specific targets and broad goals expected by supervisors are combined with the employees' personal goals as well as the things they hope to, and can achieve, enabling supervisors and their staff to understand each other and proceed to set common targets. Based on the Mazda Way, they reflect on their work accomplishments and personal initiatives and efforts in order to encourage personal development and successful performance. **g**

In addition, supervisors are required to take coaching training so that they can successfully motivate employees at these career meetings.

Competency Evaluation System

Mazda has established the Competency Evaluation System, in which the work attitude and behavior of administrative and engineering staff are evaluated once a year. Based on the seven principles of the Mazda Way, a subjective evaluation is carried out to assess the work attitude and behavior that individual employees are expected to improve (competency evaluation items), from the employees' own perspectives and from the perspectives of their supervisors and subordinates/colleagues/partner companies (multi-dimensional feedback). Feedback on the evaluation results is given to employees by supervisors at the career meetings, at which they discuss future issues to be addressed. The competency evaluation system is used as an effective tool for supporting employees' personal development and successful performance. The evaluation results are used as a reference for effective company-wide positioning of personnel.

OJT Coach System*¹

Mazda has introduced the OJT (on-the-job-training) coach system for all new employees in administrative and engineering positions since FY March 2012. Typically a senior employee who shares a workplace with the new hire is assigned as an OJT coach providing the job related advices to each new hire. The purposes of this system are to train new employees, foster the coach's growth, and energize the workplace.

Career Challenge (In-House Recruitment / FA) System*¹

In-house recruitment and the FA (free agent) system are available as a part of the career development assistance for employees. **h**

Mazda Technical College (Two-Year Course)*¹

Mazda Technical College, approved by the Ministry of Health, Labour and Welfare, is an in-house education institution offering courses to high school graduates and selected employees in order to cultivate human resources that can play a central role in manufacturing at Mazda. Those who complete the two-year program are assigned to production and manufacturing related divisions, and thrive at various manufacturing sites and in a range of situations.

- Number of present students: 100 (as of April 1, 2017)²
- Total number of graduates (among present employees): 1,424 (from April 1988 to March 2017)

Promotion of Work-Life Balance*¹

Mazda is working on a variety of programs to enable its employees – a diverse range of people with different values and lifestyles – to enjoy their work and find a healthy balance between their work and personal lives. To promote understanding of various measures to help employees achieve a better life-work balance (see p. 95), the Company provides explanations in management skills training programs, and in the section "Compass for Work and Rewards of Employees" on the Intranet about support measures designed for each life event. In FY March 2004, Mazda's variety and frequency of use of systems introduced to enable the balancing of work with child-rearing and/or nursing care was recognized, and the Company received commendation from the Minister of Health, Labour and Welfare as the most "Family-Friendly Company" in Japan. Also, in FY March 2008, Mazda was awarded the Kurumin*³ certification logo mark in affirmation of its action plan for child-rearing support initiatives, based upon the Ministry of Health, Labour and Welfare's Law to Support the Development of the Next Generation. **i**

g

Main Themes of Career Meetings

Discussions to encourage personal development:

Confirm vision of future upon accomplishment of goals, determine abilities to refine through work and activities to undertake, monitor rate of improvement

Discussions to encourage performance:

Determine work-related targets, confirm progress toward meeting targets, share present and future issues

Ratio of career meetings held

FY March 2017:
95.6% of all applicable employees

h

In-house recruitment

A system where the Company releases details on occupational experience and skill requirements for the specific assignments so that the appropriate employees are able to apply for a particular job

FA (Free Agent) System

A system where employees release their abilities and career history via the FA Declaration in order to challenge the job in a different field of work or department using their accumulated skills and experience

i Kurumin logo mark

*1 Initiatives at Mazda Motor Corporation

*2 Including five students from Group companies

*3 Kurumin logo certification status of domestic Group companies: Mazda Motor Corporation (2007), Mazda E&T (2009), Mazda Logistics (2011), Kurashiki Kako (2011), Mazda Ace (2012)

Major Measures to Promote Work-Life Balance and Diversity in the Workplace

(Non-Consolidated)

System	Description (as of March 31, 2017)	Started	FY March 2015	FY March 2016	FY March 2017
Maternal care paid leave	This system allows female employees who are pregnant and have difficulty performing their duties due to morning sickness or other feelings of discomfort to take paid leave for the necessary amount of time.	Aug. 2008	45 beneficiaries (886 days)	38 beneficiaries (1,081 days)	47 beneficiaries (845 days)
Child-rearing paid leave	This system allows employees to take up to five consecutive working days off, following childbirth or for child-rearing.	Aug. 2008* ¹	1,830 days (410 beneficiaries) Including 11 non-regular employees Male: 1,391 days (321 beneficiaries) Female: 439 days (189 beneficiaries)	2,189 days (491 beneficiaries) Including 17 non-regular employees Male: 1,684 days (389 beneficiaries) Female: 505 days (102 beneficiaries)	2,474 days (546 beneficiaries) Including 30 non-regular employees Male: 1,876 days (429 beneficiaries) Female: 598 days (117 beneficiaries)
Child-rearing leave	This system supports unpaid leave for child-rearing for children up to 3 years old. It is possible to take leave in installments. (Legal requirement: Up to one year old.)	Jan. 1991	231 beneficiaries (including 6 male) Rate of reinstatement after childrearing leave: 98% Rate of retention after childrearing leave: 100%	252 beneficiaries (including 11 male) Rate of reinstatement after childrearing leave: 99% Rate of retention after childrearing leave: 100%	300 beneficiaries (including 14 male) Rate of reinstatement after childrearing leave: 98% Rate of retention one-year after childrearing leave: 85%
Nursing care leave	This system allows employees with eligible family members requiring nursing care to take a leave of absence (maximum length of 1 year). (Legal requirement: up to total of 93 days per eligible family member.)	Jan. 1992	12 beneficiaries (including 6 male)	8 beneficiaries (including 4 male)	2 beneficiaries (including 1 male)
Special working arrangements for employees involved with child-rearing or nursing	This system allows employees involved with nursing or childrearing (until end of child's sixth year of primary school) to reduce work hours, be excused from overtime and holiday work, etc. (Legal requirement regarding work hour reduction: until the child reaches 3 years old.)	Apr. 1999	Employees with reduced working hours For child-rearing: 286 For nursing care: 3	Employees with reduced working hours For child-rearing: 325 For nursing care: 7	Employees with reduced working hours For child-rearing: 369 For nursing care: 6
Work-at-home system	This system enables employees to perform up to 25% of their work hours at home for the purpose of childrearing or nursing care, or when working at home will raise work efficiency.	Aug. 2008	85 beneficiaries	118 beneficiaries	149 beneficiaries
Special Warm Heart leave system	A paid-leave system covers nursing care for relatives, volunteer work, functions at one's child's school, and infertility treatment "Volunteer work" here refers to the following: • Social welfare (welfare services for children, for elderly people and for people with disabilities, etc.) • Environmental protection (forest preservation, recycling activities, etc.) • Interaction and cooperation with communities (participation in community events, support for activities of children's associations, crime prevention activities, etc.) • International friendship activities (welcoming home stay guests, interpretation service, etc.) • Health and medical volunteering (health care instructions, donor activities, etc.) • Disaster relief • Acquisition of qualifications, skills and knowledge that are useful in volunteer activities • Support for sports activities (sports coaching, organizing sports events, etc.) * Note that activities related to specific political and religious beliefs are not included in volunteer work.	Aug. 2008* ¹	503 beneficiaries (2,270 days) Male: 187 beneficiaries (865 days) Female: 316 (1,405 days) For nursing care for relatives 374 beneficiaries (1,813 days) Including 31 non-regular employees Male: 162 beneficiaries (805 days) Female: 212 (1,008 days)	404 beneficiaries (2,492 days) Male: 180 beneficiaries (963 days) Female: 224 (1,529 days) For nursing care for relatives 342 beneficiaries (1,692 days) Including 30 non-regular employees Male: 137 beneficiaries (675 days) Female: 205 (1,017 days)	503 beneficiaries (2,598 days) Male: 229 beneficiaries (1,593 days) Female: 274 (1,005 days) For nursing care for relatives 377 beneficiaries (1,786 days) Including 30 non-regular employees Male: 165 beneficiaries (780 days) Female: 212 (1,006 days)
Onsite daycare center: Mazda Waku Waku Kids En	This daycare center was established for employees' children who have not yet entered school. A permanently stationed nurse is available to look after children who become ill.	Apr. 2002	Preschoolers: 47	Preschoolers: 47	Preschoolers: 47
Challenging Career leave	In order to increase future career potential, employees can use this system to take leave for up to three years while attending a school or other training facilities.	Oct. 2003	2 beneficiaries	2 beneficiaries	2 beneficiaries
Leave for employees accompanying a transferred family member	This system allows employees to take a fixed-term leave in order to accompany a spouse who has been transferred, allowing the employee to resume their career at Mazda later on.	Oct. 2003	28 beneficiaries	24 beneficiaries	22 beneficiaries
Re-employment Systems	This system provides an opportunity for former Mazda employees who left the Company due to marriage, child-rearing, nursing care, or other reasons to return to work if they desire.	Aug. 2008	5 registrants	1 registrant	4 registrants
Expert Family System	This system enables interested individuals who meet a certain standard of abilities and experience to be rehired as engineers, advisors to younger engineers (to pass on their knowledge), specialists or in other positions following their retirement at the mandatory retirement age.	Apr. 2006	300 hires	250 hires	201 hires
Super-Flextime Working System (with no set core working hours)	This system was introduced to maximize results by supporting a balance between each employee's private life and working life. Under this flexitime working system, the employees can setup days of not showing up to their workplace.	Oct. 2000	Used at 80% of administrative and engineering field workplaces	Used at 80% of administrative and engineering field workplaces	Used at 80% of administrative and engineering field workplaces
Go Home Early Campaign	By streamlining operations, the Company has reduced the long working hours for divisions not directly connected with production. Examples of this initiative include no-overtime days and setting mandatory lights-out times. (Information about the overtime hours is reported back to management of each division, once in three months to implement the PDCA cycle.)	Sep. 2007	Ongoing	Ongoing	Ongoing
Paid Leave for JICA Activities	Employees participating in Japan International Cooperation Agency (JICA) volunteer activities are entitled to take paid leave for these activities.	Apr. 2007	–	–	–
Mazda Flex Benefit System	This is a selective benefit system. Individual employees can seek the type of assistance that most suits them by choosing from a number of preset benefit options within the points they have. Livelihood support, capacity development, childrearing, nursing care, social contributions, hobbies, etc.	Oct. 2001	All employees	All employees	All employees
Benefit program to support employees' environmental protection and social contribution activities	As part of the Mazda Flex Benefit System, employees can apply their points toward compensation of the costs incurred during volunteer activities they perform. This system is also extended to employees who take a leave of absence to participate in JICA activities.	Oct. 2001	17 instances 209,600 yen	6 instances 115,000 yen	19 instances 415,800 yen
Promotion of planned use of paid leave	Labor and management cooperate to streamline and standardize work processes, helping to create an environment in which employees take the initiative in planning for and using their paid vacation days (vacation may be taken in 0.5 day increments).	Ongoing	Rate of vacation day use: 79% Average of vacation days taken: 15.1 days	Rate of vacation day use: 82% Average of vacation days taken: 15.6 days	Rate of vacation day use: 86% Average of vacation days taken: 16.5 days

*1 Operated under a different system before August 2008.

Mazda Mutual Aid Union*1

The Mazda Mutual Aid Union has its foundations in the spirit of mutual assistance for all members*2. Funded by mutual membership fees (from both members and the Company) as well as special contributions from the Company, this organization provides a range of assistance to its members and their families.

Marriage and Childbirth Support

- Payments of gift money for marriage and childbirth
¥15,000 is paid upon marriage, and ¥5,000 per child is paid upon childbirth

Long-Term Care Support

- Long-term care leave payments
¥30,000/month will be paid to members who take leave under the long-term care leave system
(If payment continues for more than three months, ¥100,000/month will be paid for the months after first three months)
- Family long-term care relief payments
¥50,000/year will be paid to members whose spouse is in a state requiring long-term care (as defined by the Ministry of Health, Labour and Welfare) for a continuous period of one year or more

Education Support

- Educational expenses loan
A loan of up to ¥1 million per child (deferred loan) will be offered when a member's child enters university graduate/undergraduate studies, junior college, or a vocational or technical school
- Payment of subsidies for raising disabled children
¥50,000/year will be paid in support of child development to members whose child possess a grade 2 disability or higher

Support During Disasters, etc.

- Payments of money as condolence following a disaster
Up to ¥160,000 will be paid in condolence if a member or his/her parents' home is adversely affected by a disaster
- Emergency loan
A loan of up to ¥500,000 (deferred loan) will be offered to members who are in mourning, hospitalized, on leave from work for injury/sickness, the victim of a disaster, caring for family members, under infertility treatment, etc.

Other Support

- Injury/sickness leave payments, long-term medical relief payments, and injury/sickness leave special payments
¥5,000 will be paid each time a member takes leave of one month or more for injury or sickness
¥30,000/month will be paid for a long-term (three months or more) period of leave (if long-term leave results in the member not receiving his/ her bonus the member will receive a special payment of up to ¥100,000)
- Financial aid for advanced medical treatment
- Monetary condolence gifts and farewell gifts, financial support for survivor's pensions funds and scholarship pension funds, etc.

*1 Initiatives at Mazda Motor Corporation

*2 Executives and regular employees, as well as those approved by the governing board

Occupational Safety and Health

Under its Safety and Health Creed, Mazda is proactively working to develop people, workplaces, and mechanisms that ensure the safety and health of the employees. In FY March 2017, Mazda launched a new three-year plan, and globally promoted all-participating-type activities under the three pillars that support the realization of a proactive and enjoyable workplace. The Company believes that it will help invigorate employees and improve their work performance, also leading to the fulfillment of Mazda's Corporate Vision.

General Safety and Health Committee

Mazda has established the General Safety and Health Committee, whose members include management (executive officer in charge of safety, general managers of each division and independent department) and labor representatives (Mazda Workers' Union*1 leaders). The committee members meet to discuss each year's action plan and priority measures concerning safety and health. Based on the decision made by the committee, division/independent department general managers take the lead in promoting occupational safety and health activities taking into account the work characteristics and risks of each workplace. For Group companies in Japan and overseas, the committee shares information on its activities, observes and provides guidance to each workplace, and supports education activities, etc.

Coordination with Overseas Group Companies

Mazda steadily promoted fostering people and improving workplace that emphasize safety and health across the Mazda Group through sharing safety and health management methods with overseas Group companies considering the laws and regulations as well as labor practices of the countries and regions. In FY March 2017, Mazda strengthened the support system for local activities, through periodic visits to overseas local sites by safety staff of Mazda Motor Corporation and Internet meetings. The Company will continue to provide global support and establish a system that enables mutual learning between its Group companies, while strengthening exchange among production sites and encouraging each local site to make self-reliant efforts to develop people and workplaces that focus on safety and health.

Safety and Health Management System (SMS)

Mazda implements voluntary and continuous safety and hygiene management through its Safety and Health Management System. This system reduces the potential risks for work-related accidents and enhances overall levels of safety and hygiene standards.

Contents of the Management System Initiative

Mazda performs risk assessments to prevent accidents before they happen. The Company also carries out internal audits for all applicable divisions and departments (28 organizations, 128 departments) to investigate and evaluate the management system, as part of the PDCA (plan-do-check-act) cycle.

Risk Assessments

Since FY March 2006, Mazda has conducted risk assessments at all facilities to determine potential dangers and risks in manufacturing, product development, administration, office operations and other processes, in order to determine suitable countermeasures. Through these efforts the Company reviews and identifies risks each year, improving the level of workplace safety.

Since FY March 2016, Mazda has been developing a mechanism for risk evaluation based on the status of use and harmful effects of chemical substances and the system to prevent diseases caused by chemical substances by introducing risk assessment of chemical substances.

Safety Record (Accident Frequency Rate)

In FY March 2017, Mazda reduced the number of accidents accompanying lost worktime, thanks to measures in terms of equipment and the environment, by reinforced risk assessment and patrol activities. On the other hand, Mazda faces the task of improving each and every employee's sensitivity toward risk, through experiencing many minor accidents resulting from unsafe human behavior. In FY March 2018, Mazda has been implementing more effective educational programs, by updating part of the equipment for risk simulation training.

Safety and Health Creed
For workers, safety and health are essential assets.
Our people are our most valuable resource, and we are committed to keeping them safe.

One Mazda Movement for an Enjoyable Workplace
The Three-Year Plan
Policy: Realize a proactive and enjoyable workplace* by accomplishing safety and health activities initiated by individuals and divisions.
Slogan: Safety and health first in One Mazda, 24 hours a day
Three pillars of activities
1) Development of human resources with heightened sensitivity
2) Realization of a safe, secure and comfortable working environment
3) Activities on a global basis

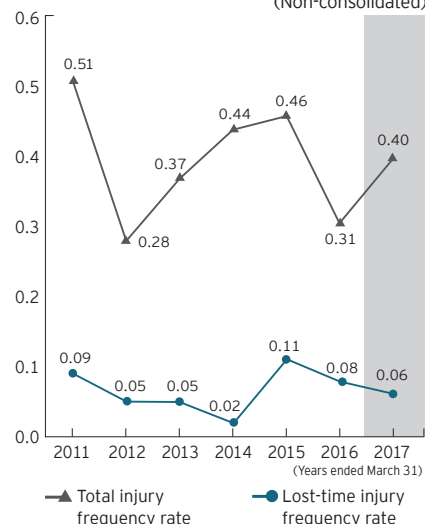
* Proactive and enjoyable workplace: A workplace where intensive problem-solving activities are implemented, taking into account the division's characteristics, and where individual employees work as a team harmoniously led by their manager, so that individual employees and the organization are both invigorated.

j Global lost-time accident frequency rate*

FY March 2017	0.28
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* Lost-time accident frequency rate: The number of lost-time accidents per million person-hours worked.
Scope of data collection: Mazda Motor Corporation, eight Group companies in Japan, and five overseas production sites (Subsidiaries and equity-method Group companies that promote safety and health initiatives are included in the scope of data collection.)

k Injury Frequency Rate (see p. 140) (Non-consolidated)



Total injury frequency rate: The number of lost-time and non-lost-time accidents in Mazda Motor Corporation per million person-hours worked.

Lost-time injury frequency rate: The number of lost-time accidents in Mazda Motor Corporation per million person-hours worked.

Subject to independent third-party assurance
*1 Membership is around 90% of Mazda employees.

Education and Training Concerning Occupational Safety and Health

Mazda provides education and training on safety and health across the Company, Group companies, and suppliers (Toyukai Cooperative Union*¹).

In FY March 2017, the Company reconsidered the ideal state of safety and health education and made improvements aimed at providing education that “touch participants heart” to improve participants’ motivation and practical abilities.

Contents of Education and Training Programs Concerning Occupational Safety and Health (FY March 2017)

(Non-consolidated)

Contents	Number of training participants
Safety and health training prescribed by the Occupational Safety and Health Law	1,982 (including 727 from Group companies and suppliers)
Training for achieving zero accidents (prediction trainer training, etc.)	419
Capacity-building training for dangerous or hazardous work engaged persons (forklift operation, etc.)	246
Training for safety and health managerial and supervisory personnel (for newly appointed personnel)	125
Practical first aid training (including AED use)	1,200

TOPICS

Emotional Intelligence Quotient (EQ) Training to Value People-to-People Relationships

The Quality Division of Mazda Head Office has held an Emotional Intelligence Quotient (EQ)*¹ training program since FY March 2017. The EQ program is intended to improve management skills in the middle managers and above, enhancing personal magnetism that their staff consider them to be reliable persons with whom they wish to work. On the day of the training session, participants are to establish their action plans. Three months later, the participants are given the opportunity to reflect on the progress of the action plans, to ensure the practical implementation of these plans. Around 90% of participants have realized an improvement in the EQ of the Quality Division and their teams.



*1 The Emotional Intelligence Quotient (EQ) is an index measuring Emotional Intelligence (EI). EI refers to the ability to recognize and control our feelings and those of others.

*1 The Toyukai Cooperative Union consists of 62 vehicle parts and equipment companies that are direct or indirect trading partners with Mazda, and is a union organization that actively engages in initiatives with a constant awareness of the need to put “quality first.” It was founded in 1952 by Mazda and 20 collaborating companies that have trading relationships with the Company, with the aim of promoting friendly relations among members and improving welfare, as well as developing a system for cooperating with Mazda. The Company offers advice and support to this group from a safety viewpoint by introducing safety information and inviting safety training provided by Mazda.

Mental Health Measures*1

In 2003, Mazda declared its commitment to active cooperation between labor and management to promote employees' mental health in the Warm Heart Declaration, and formulated the Mazda Warm Heart Plan. In 2007, labor and management, including managements, respective divisions, Company doctors and occupational health nurses, and the Mazda Worker's Union, cooperated to establish the Mental Health Project and construct a Company-wide support system.

Consultation System

Mazda has established a system to provide consultations by Company doctors and health advisors. Not only for employees at Mazda Head Office, but also for employees dispatched to other companies in Japan and overseas, the Company offers on-site healthcare consultations, and consultations via video-conference system to support their health maintenance.

Education and Training

Mazda holds listening skills training and advanced training targeting newly appointed managers, and the self-care seminar targeting third-year employees, on a regular basis. The Company also offers training by division on demand of the workplace. In addition, information is periodically provided to managers regarding the important points of mental health measures.

System for Supporting Employees Returning to Work

The Company is also making efforts to support employees who have taken time off from work not to be absent again by improving measures to support them in getting back to work. The measures are such as the reduce work hour system, a system of allowing them to return to workplaces on a trial basis, and follow-up consultations after their reinstatement.

Vitality Checkups (Investigation of Occupational Stress and Diagnosis of the Organization's Comprehensive Health Degree)

Prior to the legislation requiring companies to implement the stress check system (that came into effect in December 2015), in 2008 Mazda introduced occupational stress diagnoses known as "vitality checkups" for employees to reveal individual and organization-level risks. Employees use the results of individual diagnoses to grasp and manage their own health conditions. The result for organization-level is shared with the respective divisions. Based on the results of these diagnoses, each division takes initiatives in promoting workplace improvements to prevent mental health problems. In FY March 2016, Mazda introduced the diagnosis of the organization's comprehensive health degree, aiming to assess the organizational productivity and human productivity based on the results of management and employees' engagement surveys.

Measures to Prevent Lifestyle-Related Diseases*1

To alleviate and prevent lifestyle-related diseases, including metabolic syndrome, Mazda carries out various activities, such as non-smoking measures, promotion of walking, and holding seminars on these themes.

Promotion of Non-Smoking Measures

Mazda has set a long-term target of reducing the percentage of smokers in the Company to 25%. To achieve this target, Mazda offers full individual support and promotes a nonsmoker-friendly environment. A Company-wide smoke-free day has been implemented once a month. In addition, the provision of outside smoking areas is promoted to prevent passive smoking.

Promotion of Walking

To help employees improve their health, Mazda promotes various measures to encourage walking. These include:

- Eco-Walk Commuting Program (with allowance payments)
- "10,000-step Challenge" (with the goal of walking 10,000 steps a day), which is held for indirect employees
- Mazda Active Walking, for which tools on the Company Intranet are provided to help employees record the distance they walk

Physical Management Seminars (Started in 2015)

Mazda holds seminars for employees of 31 years of age (in the year following the comprehensive medical checkups for those reaching the age of 30), aiming at "improving the practical skills to improve their lifestyles" and "preventing metabolic syndrome." Using external sports gyms, these seminars provide participants with opportunities to listen to lecture (about dietary habit) and to actually experience exercises and relaxation (these seminars are jointly held with the Mazda Health Insurance Society.)

Encouraging Healthy Eating

Starting in FY March 2010, a new type of healthy meal that is low calorie, low salt, and uses high-fiber ingredients, is being offered as a regular part of the Company lunch menu. It is also applied to dietary instruction of specific health guidance.

M Number of Participants in Mental Health Training

	(Non-consolidated)		
	FY March 2015	FY March 2016	FY March 2017
Training for newly appointed managers	152	171	190
Training for managers (advanced)	55	54	92
Training for third-year employees (Self-care seminar)	232	299	107
Training by division (at the division's request)	312	213	357

N Vitality Checkups (Investigation of Occupational Stress and Diagnosis of the Organization's Comprehensive Health Degree)

	(Non-consolidated)		
	FY March 2015	FY March 2016	FY March 2017
Comprehensive health risk*1	93	93	94
Comprehensive health degree of the organization*2	-	52.9	52.3

*1 An indicator of health effect (risk), based on workload/discretion/support conditions.

The above figures are calculated assuming the national average value (announced by the Ministry of Health, Labour and Welfare) to be 100. (A smaller value indicates a smaller risk.)

*2 An indicator of the organization's current health degree, based on the stress response and work engagement. Expressed as a deviation value.

O Data on Measures to Prevent Lifestyle-Related Diseases

	(Non-consolidated)			
	FY March 2015	FY March 2016	FY March 2017	
Non-smoking promotion activities	Percentage of employees who smoke	30.5%	30.6%	29.9%
	Number of employees receiving nicotine patches /guidance	13	25	18
Walking activities	Number of participants in the "10,000-steps Challenge" / Percentage of employees who achieved 10,000 steps per day	8,483 /46.8%	9,067 /45.8%	9,659 /42.6%
	Number of participants in Mazda Active Walking	4,939	5,709	5,709
	Number of employees who completed the Smile Course (2,000 km/year)	130	133	144
	Number of employees who completed the Steady Course (2,500 km/year)	633	574	606
	Number of employees who completed the Speedy Course (3,000 km/year)	126	138	119

*1 Initiatives at Mazda Motor Corporation

Health Maintenance and Improvement

To maintain and improve the health of its employees, Mazda conducts health checkups, and promotes measures to prevent and mitigate mental health problems and lifestyle-related diseases. Companywide health improvement activities are under way emphasizing the reduction of health risks, by providing guidance and education based on the results of health checkups, taking aging countermeasures, supporting related activities at domestic Group companies, and offering health maintenance support for employees dispatched to other companies overseas.

P

Health Checkups*1

In addition to legally prescribed health checkups for all employees, Mazda carries out comprehensive medical checkups*2 covering a variety of areas for employees when they reach the ages of 25, 30, and 35, and when they pass the age of 40. Furthermore, the Company conducts complete physical checkups*3, including gastroscopy and abdominal ultrasonography, for employees when they reach the ages of 50, 54, and 58. Based on the results of these health checkups, Company doctors determine if employees can continue to work or not. Mazda also promotes employees' health by offering personal health guidance and education by Company doctors and health advisors.

Q

Health Risk Measures*1

The business climate has undergone various changes, including the globalization of workplaces and an increase in the number of people who are continuously employed after retirement. Giving consideration to these changes, Mazda strives to establish a system to appropriately assess and deal with the health risk of employees, from the perspectives of risk prevention and management.

Measures for Employees at High Health Risk

Mazda has established a system to take appropriate measures for employees at high health risk for heart diseases and cerebrovascular diseases. The Company also promotes activities to clarify the assessment indexes, such as the process of determining high-risk individuals by multiple Company doctors based on relevant data, and to establish a follow-up system to care for high-risk individuals after their health checkups, through collaboration among the person in question, the Company doctor and other members of the workplace.

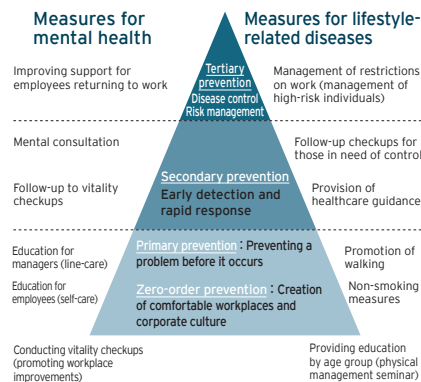
TOPICS

Certified as an Excellent Enterprise of Health and Productivity Management—White 500

In February 2017, Mazda Motor Corporation was selected as one of the Excellent Enterprises of Health & Productivity Management in the large enterprise category (White 500),*1 under the Certified Health and Productivity Management Organization Recognition Program, which is jointly run by the Ministry of Economy, Trade and Industry (METI) and Nippon Kenko Kaigi. In keeping with the idea of "safety and health come first," the Company endeavors to maintain and improve employees' health, by implementing health checkups, mental health measures and measures against lifestyle-related diseases, aiming at becoming a company where both employees and the organization are more invigorated than at any other companies.

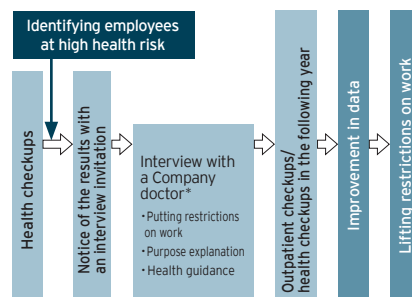
*1 Under the Certified Health and Productivity Management Organization Program, launched this fiscal year, which commends enterprises engaging in initiatives for overcoming health-related challenges in regional communities or promoting health-conscious activities led by Nippon Kenko Kaigi, and practicing outstanding health-oriented management.

P Measures for Health Risk



Q Healthcare Guidance Data

	(Non-consolidated)		
	FY March 2015	FY March 2016	FY March 2017
Personal guidance on the basis of health checkup results (including specific health guidance)	840	1,467	1,393



* After the interview results are confirmed by the employee, these results are also reported to the employee's manager.

*1 Initiatives at Mazda Motor Corporation

*2 For employees who reach the age of 30, 35, and 40-and-above, breast cancer and uterine cancer examinations are available with comprehensive medical checkups upon request.

*3 Offerings checkups of the brain, the lungs, etc. as paid options.

Industrial Relations

Mazda has a standing labor agreement with the Mazda Workers' Union.*¹ The Company build relationships in which everyone thinks and works together with the Union to build environment contributing to all stakeholders. The Company and the Union held discussion on such themes as personnel affairs, production and sales once or twice a month.

A discussion with the Mazda Workers' Union is also held regarding operation changes which may have a significant impact. The information about operation changes should be shared with employees with sufficient lead time. Moreover, various measures for discussion with labor are ready in entire Mazda Group to maintain and develop positive labor relations.

- Group companies in Japan
Regularly exchanges information and engages in active discussions with the Federation of All Mazda Workers' Unions.
- Group companies oversea
Measures for discussion with labor are ready based on the labor practices in each country and region.
(There was no collective labor dispute in FY March 2017.)

Leaders Both from Management and Labor Shake Hands



TOPICS

Personnel Exchange between Labor Unions in the Mazda Group

To establish sound industrial relations on a global basis, the Mazda Workers' Union supports labor unions of overseas production sites through regularly providing information on how to consolidate employees' opinions and how to effectively organize labor-management meetings. The Mazda Workers' Union members also visit overseas production sites, where they attend local labor-management meetings and give advice for better meetings.

In September 2016, executives of Confederacion de Trabajadores de Mexico (CTM), which is an umbrella organization of the labor union of Mazda de Mexico Vehicle Operation (MMVO), the Company's production site in Mexico, were invited to participate in a regular convention of the Mazda Workers' Union to deepen mutual exchange.

*1 Membership is around 90% of Mazda employees.