

## ENVIRONMENTAL MANAGEMENT

### Establishing Environmental Management Systems

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

#### Progress Status

- 14 Mazda and Group manufacturing companies in Japan and overseas have now acquired ISO 14001 certification. (Disclosure by 14 out of a total of 15 companies)
- Mazda is expanding ISO 14001 certification scope to all domestic sites following the revision of ISO 14001:2015. The expansion of certification scope and examination of transfer to ISO 14001:2015 were completed in September 2016. Also, the Mazda Group companies that have acquired ISO14001 completed transfer to ISO14001:2015 within FY March 2018.
- Mazda has had dealerships in Japan certified under EcoAction 21 (EA21)\*<sup>1</sup>, an environmental management system. Introduction of the system has been completed at the Company's 16 consolidated dealerships, and is now expanded to owner-managed dealerships. As of March 2021, 28 dealerships of the Mazda/Mazda Enfini sales channel, 138 dealerships of the Mazda Autozam sales channel, and Mazda Chuhan, a used car sales company, have been certified. The dealerships that have already been certified are continuously supporting the introduction of the environmental management system at newly opened shops.
- Mazda has completed introduction of an exclusive Mazda EMS to two Mazda Group vehicle parts companies in Japan.

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#### a List of ISO 14001 Certified Production and Business Sites

##### Domestic production/business sites

Hiroshima district	Hiroshima Plant	June 2000
	Miyoshi Plant	
Hofu Plant	Nishinoura district	September 1998
	Nakanoseki district (extended certification)	September 1999

##### Overseas production site

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

\*1 Equity-method group company

\*2 Consolidated group company

#### Four Domestic Consolidated Group Companies (excluding sales companies)

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

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

#### Four Domestic Equity-Method Group Companies

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

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

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

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

## Contribution to Resolving Social Issues

### Promoting Green Purchasing

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

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

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

- All major suppliers in Japan and abroad with which the Company has ongoing business relationships (around 500 companies), including new suppliers, have maintained certification as of the end of March 2021.
- Under the Mazda Green Purchasing Guidelines, Mazda requires, through primary suppliers, secondary suppliers and the subcontractors to establish EMS.

### Status of Implementation of Environmental Audits

To confirm that environmental management systems, such as ISO14001 and EcoAction 21, are operating effectively, both internal audit and environmental management system audit (EMS audit) are carried out annually at Mazda and all of its Group companies, both in Japan and overseas, that have obtained certification. The FY March 2021 EMS audit revealed no serious compliance issues.

The results of the internal audit and EMS audits were reported to senior management. Any problems were swiftly and appropriately rectified.

### Eliminating Sensory Pollution

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

### Specific Initiatives in Environmental Risk Management

#### Environmental Monitoring

- Regular training is conducted at each plant and office to prepare for response in the event of accidents that adversely affect the natural environment.
- Environmental monitoring, including monitoring of air and water pollution, is conducted regularly.

#### Legal Violations

In FY March 2021, there were two cases of violations of environmental laws and regulations at Mazda's group companies in Japan. The Company is taking appropriate actions and will implement measures to prevent recurrence.

#### Complaints

In FY March 2021, Mazda received complaints concerning one case, and is taking appropriate actions to address it in good faith.

### b EMS Audit Results on ISO 14001

#### Mazda Motor Corporation

	FY March 2017	FY March 2018	FY March 2019	FY March 2020	FY March 2021
Serious noncompliance issues	0	0	0	0	0
Minor noncompliance issues	6	1	0	0	0
Observation issues	10	5	6	6	5

#### Group Companies

	FY March 2021		
	Japan	Overseas	
ISO14001	Serious noncompliance issues	0	0
	Minor noncompliance issues	1	10
	Observation issues	9	73
EA21	Noncompliance Issues	0	—
	Minor noncompliance issues	4	—
	Issues requiring improvement	51	—

### C Environmental Monitoring

Environmental monitoring item	Target of monitoring	Items monitored	Monitoring frequency
Air quality	Boilers, melting furnaces, heating furnaces, drying furnaces, etc.	5 items: sulfur oxides, nitrogen oxides, soot, volatile organic compounds, hydrogen chloride	Around 300 times per year
Water quality	Treated wastewater	43 items: cadmium, cyanide, organic phosphorus, lead, hexavalent chromium, etc.	Around 1,700 times per year
Noise and Vibration	Site boundaries	1 item: noise level	12 times per year
Odor	Site boundaries	1 item: odor index	12 times per year
Waste products	Slag, sludge, scrap metal, etc.	25 items: cadmium, cyanide, organic phosphorus, lead, hexavalent chromium, etc.	Around 100 times per year

### d Legal Violations and Complaints

		(FY March 2021)	
		Number of incidents	Response
Legal violations	Water quality	2	Implemented remedies for the sources, improved inspections, and reviewed control methods
Complaints	Waste products	1	Improved cleaning around the construction site

## Contribution to Resolving Social Issues

### Environmental Education/Education Program Structure

As part of its EMS, Mazda conducts regular environmental education for all employees twice a year, as well as education for EMS leaders and department management twice a year, and encourages employees to obtain environment-related public qualifications. In addition, Mazda offers support for employees working toward these qualifications, including financial support through the Mazda Flex Benefit program (see p. 67).

### Routine Environmental Activities

#### Reducing Paper Use

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

#### Reducing Energy Use

Through regular initiatives, including purchasing of low power-consumption office equipment and furniture, and turning off lights and computers when they are not in use, Mazda makes continual efforts to reduce energy use.

Furthermore, Mazda implements a "Cool Biz" program during the summer season every year, setting internal room temperatures at 28°C (82.4°F) on a standard basis. During the winter season when electricity consumption is particularly high, the Company implements a "Warm Biz" program, setting internal room temperatures at 20°C (68°F) on a standard basis.

### Environment-Related Accident Emergency Drill and Prevention Campaign

#### Emergency Drill to Prevent Marine Pollution

In FY March 2020, a drill was held simulating an oil spill incident, using oil containment booms. In response to a mock release of oil, participants deployed the booms and worked to contain and recover oil spills on the sea surface, and they confirmed that the drill was effective. The drill was canceled in FY March 2021 due to the impact of the novel coronavirus (COVID-19), but will consider to resume in the future based on the surrounding situation.

#### Campaign for Oil Spill Prevention and Traffic Safety

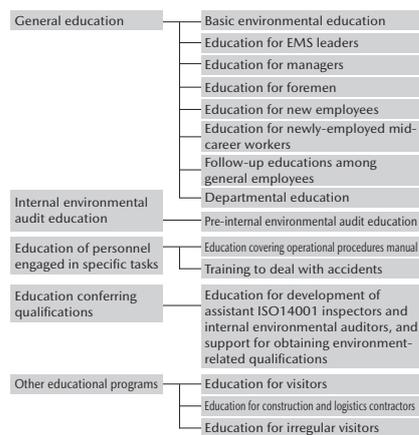
Jointly with Mazda Logistics Co., Ltd. and several truckload transportation companies, Mazda Motor Corporation conducts an awareness-raising campaign to prevent oil spills on roads during vehicle delivery and improve traffic safety awareness. In this campaign, which are held twice a year, awareness-raising leaflets are distributed to drivers of delivery trucks to the Hiroshima Plant and the Hofu Plant. In doing so, the Company strives to improve such drivers' awareness of the environment and safety and create a system that ensures that employees can make a quick and appropriate response in the event of an accident. As another part of its activities for oil spill prevention, Mazda has compiled a database of information on each delivery truck's maintenance and past environmental problems so that the data can be visualized. Using such data, the Company has established a system to diagnose the respective cases and send alert messages to truckload transportation companies, if applicable. The Company has been introducing this system to a wider range of truckload transportation companies.

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### e Qualifications that Employees Are Encouraged to Obtain:

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

### f Environmental Education Structure



### Number of Employees Receiving Environmental Education (Non-consolidated Unit: person(s))

	FY March 2017	FY March 2018	FY March 2019	FY March 2020	FY March 2021
Managers	83	75	53	79	101
Section managers	190	188	209	209	227
Foremen	60	60	68	50	50
New employees	538	550	606	634	612

\* In addition to the above, environmental education is provided to general employees in each department

### g Emergency Drill to Prevent Marine Pollution in FY March 2020 (Deploying oil containment booms)



### h Campaign for Oil Spill Prevention and Traffic Safety

