## Sustainability

In February 2023, YUSHIN has decided on Sustainability Basic Policy and identified materialities to realize a sustainable society and increase corporate value over the medium to long term.

## **Sustainability Basic Policy**

We contribute to the creation of a sustainable society and environment, and aim to increase our corporate value by continuously developing our business, through our business activities centered on providing labor-saving solutions.

## **Materiality Identification Process**

YUSHIN has identified the following five materiality issues of YUSHIN Group to realize a sustainable society and increase corporate value over the medium to long term. In identifying these issues, YUSHIN listed candidates for materiality from the viewpoints of stakeholders and our group-wide management. The members selected from the Board of Directors and the departments discussed the candidates and identified those that were of particular importance by mapping them according to their level of importance.

Going forward, YUSHIN will establish policies for addressing identified materiality, and through the implementation of these policies, will strive to contribute to the creation of a sustainable society and environment and to increase corporate value.

## YUSHIN Group's Materiality

Solving socia	al issues through business	8 source and a contract of the
Materialities	Why we think it is important?	Examples of initiatives
Promotion of occupational safety	Because occupational safety is an important factor for us as a manufacturer of production equipment, and it leads to fundamental respect for human rights.	Development of products with enhanced safety performance     Providing customers with trainings for occupational safety     Continuous efforts of the Health and Safety Committee     Thorough implementation of human rights policies and implementation of due diligence
Productivity improvement of the customers' factory	Because productivity improvement can bring high-value-added products to people and the products can improve living standards of people around the world including healthcare and education.	Development and sales of high-speed and high-precision robots     Functions to improve productivity     Enhanced maintenance and service system
Tackling climate change	Because climate change is a major problem that threatens the living environment for many people around the world. Corporations should address the problems as members of the world.	Development and sales of energy-saving products Switching electricity usage of our business sites to renewable energy Switching from gasoline-powered vehicles to environmentally friendly vehicles Identifying climate-change risks at our sites and supply chains, and formulating BCP

Strengthening the management base for the sustainable growth of YUSHIN Group		3 section and account with the section of the section and the
Materialities	Why we think it is important?	Examples of initiatives
Strengthening human capital	Because people are the source of added value.	Thorough implementation of human rights policies and implementation of due diligence Creating a culture and environment that makes innovation happen System to allow long-serving in accordance with respective life stages Effective training Instilling Corporate Identity (CI)
Strengthening corporate governance	Because lack of trust of stakeholders make business operations difficult.  Penalties associated with compliance violations, decline in brand value, and data leaks due to security failures also can be threats against the operations.	More than one-third of Directors are External Directors  Establishment of Nomination and Remuneration Committee (chaired by an External Director)  Evaluating effectiveness of the Board of Directors  Whistleblower system  Compliance training for employees  Improving data security