The DENSO Creed, which represents our founding spirit, was the starting point for us as a company. Our sustainability management is based on our commitment to inheriting and practicing the ideals of our predecessors encapsulated in the DENSO Creed and passing them on to the next generation.

The DENSO Creed includes the phrase “Provide quality products and services,” which epitomizes our great cause of contributing to the fields of “green” and “peace of mind” for society and customers.

In the field of “green,” as worldwide trends are shifting from low-carbon to carbon-free to realize a carbon-neutral society, we also aim to become carbon-neutral, namely, achieve net zero emissions, in production operations at our plants and also our products by offsetting the CO2 we emit by the CO2 we absorb. This goes far beyond our previous target of achieving a 50% reduction in CO2 emissions.

In the field of “peace of mind,” we remain fully committed to our goal of realizing a world with “Zero traffic fatalities.”

We hope to contribute to creating a better society by pursuing “zero” as the ultimate goal in both the “green” and “peace of mind” fields. I sincerely hope our company will inspire society through such efforts.

Koji Arima
Representative Director,
President & CEO

The DENSO Creed

“Be trustworthy and responsible.”
“Cherish modesty, sincerity, and cooperation.”
“Be pioneering, innovative, and creative.”
“Provide quality products and services.”

DENSO will pursue sustainability management with “zero” as our ultimate goal.

DENSO aims to be an inspiring company that creates a brighter future for all people through its commitment to being “green” and creating “peace of mind.”
DENSO at a Glance

Past

Management Foundation & Policy
Since our founding in 1949, we have built our foundation on "DENSO Quality First." We operate our business based on our long-term policy.

Technology Development & Manufacturing
We strive to develop technologies with a vision of the future. We continue to improve our manufacturing capabilities to make the impossible possible.

Global Deployment
We were quick to launch in various countries to meet the needs of customers. We operate both manufacturing plants and R&D centers all over the world.

Present
DENSO in figures

Future
Future vision

History to the present

DENSO is founded

1949

1953

1956

1966

1968

1972

1991

2004

2015

2016

2017

2019

2020

2022

NIPPONDENSO CO., LTD., later changed its name to NIPPONDENSO CO., LTD., split from Toyota Motor Co., Ltd., and was established as a separate entity.

Created the mission statement on which DENSO is founded. It was established in order to maintain and further develop the spirit of our founding.

Established the Technical Training Center

The principles of "Monozukuri" in Japanese (our performance relies on our people and "engraving" and "technique, hand in hand" are still being practiced today.

Established the IC Research Center

In-house R&D of integrated circuits IC was launched at an early stage, in an imitation of electronic control for automotive components. Today, electronic components are some of the main products that we sell.

Established NIPPONDENSO (AUSTRALIA) Pty Ltd., and NIPPONDENSO THAILAND CO., LTD., our first manufacturing companies located outside of Japan. We decided to manufacture products near to our customers, in order to better meet their needs.

Received the Deming Prize, one of the most prestigious awards for quality control.

Opens Nukata Proving Ground

We opened a test course at a comparatively early stage for a parts manufacturer. We have evaluation facilities equivalent to those of automobile makers to help us ensure product performance and quality that exceed our customers' expectations.

Establishment of the global R&D system

DENSO develops outstanding technologies and products in collaboration with internal and external partners, including automobile manufacturers, research institutions, and universities, through its global technical centers (located in Japan, the U.S., Germany, China, Thailand, India, and Brazil).

Introduced a global common personnel management system

DENSO introduced a global common personnel management system targeting the members of senior management in its headquarters and at each group company. This system incorporates a "Global Individual Grade" that focuses on the individual capabilities of senior management members. By using a common grading tool to evaluate and promote its senior staff, DENSO allows its personnel around the world to develop their careers on a global scale.

Future

We are in the pursuit of "zero" in the fields of "green" and "peace of mind."

Employees 170,000

Consolidated Revenue ¥5.5 trillion

World-First Products over 130

Patents Held 41,500

Medals at the WorldSkills Competition 69

Global Network 35 countries and regions

Overseas Revenue Ratio 57%

04
Aiming to Become Carbon Neutral by 2035

DENSO has been promoting “environmental management,” under which it aims to reduce the environmental burden in all areas of its business activities and make economic, social, and environmental contributions actively. Meanwhile, initiatives to first lower carbon and then become carbon neutral are accelerating around the world. In light of these developments, we aim to realize carbon neutrality within our production activities in the not-too-distant future of 2035 by further promoting the environmental efforts in which we have engaged thus far. To make this ambition a reality, we are pursuing efforts in the three fields of “Monozukuri (manufacturing),” “mobility products,” and “energy use.”

Developing the CO2 Circulation Plant

In 2020, DENSO announced its goal to realize carbon neutrality within its production activities by 2035. To accomplish this goal, we are promoting a broad range of initiatives in the domains of “mobility products,” “Monozukuri,” and “energy use.” As part of these efforts, we are currently focusing our attention on the CO2 Circulation Plant development project.

To pursue our goal of attaining carbon neutrality in the Monozukuri domain, we are first placing emphasis on “promoting the shift to energy-conserving and electrified production facilities” and “transitioning to renewable energy for the energy we use.” As part of these efforts, we are currently focusing our attention on the CO2 Circulation Plant development project.

To address this issue is the CO2 Circulation Plant. The CO2 Circulation Plant is a facility that captures CO2 from the exhaust created during the production process at our plants and combines it with hydrogen (H2) to synthesize methane gas (CH4). This methane gas can be used as fuel for the plant.

At typical production facilities in the manufacturing industry, there is still not a compact solution that can efficiently capture CO2. For that reason, we promoted the CO2 Circulation Plant development project based on our desire to actively pursue an action plan to become carbon neutral by 2035, without waiting around for technology to improve via the efforts of external parties. In July 2020, we were able to create a plant that achieved CO2 circulation.

Realizing Carbon-Neutral Factories

Promoting Monozukuri without CO2

We will reduce CO2 emissions by utilizing renewable energy such as solar power and enhancing the efficiency of our manufacturing process. In addition, we aim to realize carbon neutrality at our plants by capturing the CO2 emitted in the production process and reusing it as energy.

Contribute to the electrification of cars to reduce CO2 emissions to the greatest extent possible

We will help popularize HEVs, BEVs, FCEVs, and other electrified vehicles (xEVs). In addition, we will apply the electrification technologies cultivated in the automotive industry to the field of air mobility in an effort to significantly reduce CO2 emissions in all facets of mobility.

Capture and reuse CO2 to contribute to carbon neutrality within society as a whole

We will capture CO2 within the atmosphere and reuse it as an energy source. By doing so, we will help reduce CO2 emissions throughout society.

CASE STUDY

Realizing Carbon-Neutral Factories

Promoting Monozukuri without CO2

Developing the CO2 Circulation Plant

In 2020, DENSO announced its goal to realize carbon neutrality within its production activities by 2035. To accomplish this goal, we are promoting a broad range of initiatives in the domains of “mobility products,” “Monozukuri,” and “energy use.” As part of these efforts, we are currently focusing our attention on the CO2 Circulation Plant development project.

To pursue our goal of attaining carbon neutrality in the Monozukuri domain, we are first placing emphasis on “promoting the shift to energy-conserving and electrified production facilities” and “transitioning to renewable energy for the energy we use.” However, facilities such as furnaces, for which electrification is not possible and renewable energy is difficult to use, emit CO2 regardless, and the key to addressing this issue is the CO2 Circulation Plant. The CO2 Circulation Plant is a facility that captures CO2 from the exhaust created during the production process at our plants and combines it with hydrogen (H2) to synthesize methane gas (CH4). This methane gas can be used as fuel for the plant.

At typical production facilities in the manufacturing industry, there is still not a compact solution that can efficiently capture CO2. For that reason, we promoted the CO2 Circulation Plant development project based on our desire to actively pursue an action plan to become carbon neutral by 2035, without waiting around for technology to improve via the efforts of external parties. In July 2020, we were able to create a plant that achieved CO2 circulation.
Aiming to Become a Leading Company That Provides “Peace of Mind” to Society

For a company like DENSO, which aims to contribute to the happiness of people, it is absolutely essential that we provide peace of mind to society by resolving social issues through our business activities. This section introduces the three pillars of DENSO’s contributions to the field of “peace of mind.” Supported by these pillars, we aim to resolve various social issues, such as traffic accident injuries and deaths, the declining birthrate and aging population, air pollution, infectious diseases, and natural disasters, and become a leading company that provides peace of mind to society.

**Zero Traffic Fatalities**

**Creation of Comfortable Spaces**

**Support for Working People**
DENSO operates seven core businesses in a broad range of domains, centered on automotive-related fields. The Company has established a business portfolio for creating new value that can address the future needs of the mobility society. Through this portfolio, DENSO strives to maximize value in its seven core businesses so that it can enhance the potential of the mobility society.

Going forward, DENSO will take steps to reshuffle its business portfolio in order to realize sustainable growth under a rapidly changing business environment.

### Segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>Contribution to Long-term Policy (value of green and peace of mind)</th>
<th>Revenue by Product (Ratio)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electrification Systems</td>
<td>Green</td>
<td>¥1.1 trillion (20.6%)</td>
</tr>
<tr>
<td>Powertrain Systems</td>
<td>Green</td>
<td>¥1.2 trillion*2 (22.6%)</td>
</tr>
<tr>
<td>Automotive Businesses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thermal Systems</td>
<td>Green, Peace of Mind</td>
<td>¥1.3 trillion (23.2%)</td>
</tr>
<tr>
<td>Mobility Electronics</td>
<td>Green, Peace of Mind</td>
<td>¥1.4 trillion (24.6%)</td>
</tr>
<tr>
<td>Advanced Devices*1</td>
<td>Green, Peace of Mind</td>
<td>¥200 billion*3 (3.2%)</td>
</tr>
<tr>
<td>Industrial Solutions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food Value Chain</td>
<td></td>
<td>¥200 billion (3.4%)</td>
</tr>
</tbody>
</table>

*1. Established January 1, 2022 (by integrating the mechatronics components business of powertrain systems and the sensing & semiconductor business)
*2. Consolidated revenue of the former powertrain systems business in FY2022 (ratio)
*3. Consolidated revenue of the former sensing systems & semiconductor business in FY2022 (ratio)
Supporting electrification in all areas of mobility to realize an enriched environment and the joy of driving

To deliver electrification systems for vehicles that are eco-friendly and enable even more comfortable travel, we have built up a solid track record with the development of electrification technologies, realizing high performance, compactness, and fuel efficiency for the major products needed for HEVs. Going forward, we will leverage our expansive business domains to form linkages between various in-vehicle systems and products in an effort to efficiently manage energy within vehicles. In this manner, we will further improve fuel efficiency and contribute to the conservation of energy.

Solutions that achieve the optimum balance of performance, eco-friendliness and flexible mobility — for all vehicle types.

In addition to supplying high-quality systems and components, we will minimize the environmental impact of vehicles, facilitate the use of carbon-neutral fuels, and meet stricter regulations. By doing so, we strive to deliver new value to society.

Electrification Systems

- Development and manufacture of HEV and BEV drive systems, power supply and related products, and power supply and starting system parts such as alternators and starters
- Development and manufacture of electric power steering motors, control brake motors, and electric control units (ECUs)
- Development and manufacture of various kinds of small motor system products, such as windshield wiper systems, power window motors, engine control motors, and blower fans

Features
- Wide variety of technological know-how across a broad range of business domains that extend from internal combustion engine starting systems and power charging products to products powered by electricity such as HEVs, BEVs, and FCEVs.
- Ability to draw on know-how and extensive business domains to engage in comprehensive system-based development

Powertrain Systems

- Development and manufacture of gasoline and diesel engine management systems, which cover everything from combustion to intake and exhaust
- Development and manufacture of engine-related products, such as VCT systems, exhaust gas sensors, and spark plugs
- Planning and development of products and systems for efficient power generation by fuel cells based on electric drive and thermal management technologies, which have been refined through experience with hybrid vehicles, and fuel cell management

*VCT: Variable Cam Timing

Features
- From the perspective of systems, we maintain and comprehensively develop a wide variety of technologies and are active across a broad range of business domains related to powertrains, extending from gasoline and diesel vehicles to xEVs. We are also able to manufacture products in these domains using highly advanced production techniques
Thermal Systems

Contributing to a more pleasant society for the earth and its people through eco-friendly heat management technologies and comfortable vehicle interiors

With the arrival of a carbon-free society and the CASE generation, the automotive industry is undergoing a paradigm shift. Amid this shift, the Thermal Systems Business Group is working to leverage its strengths as a leading global air-conditioning systems supplier to the greatest extent possible to help create the society of the future through heat management systems, which resolve issues related to xEVs, and products that improve air quality, which create comfortable vehicle interiors.

**Business Activities**

- Development and manufacture of thermal management systems and air conditioner systems, which create a comfortable space in cars and buses
- Development and manufacture of products for cooling, such as radiators and condensers
- Comprehensive capabilities for developing and producing car air-conditioning systems
- Ability to develop heat management technologies cultivated in the thermal domain, such as car air-conditioning systems and radiators, as well as heat management products for xEVs that leverage these technologies, such as heat pump systems and cooling systems for power control units (PCUs)

**Features**

- Development and manufacture of thermal management systems and air conditioner systems, which create a comfortable space in cars and buses
- Development and manufacture of products for cooling, such as radiators and condensers

Mobility Electronics

Realizing a society in which all people can move comfortably and with peace of mind (Quality of Mobility)

By combining advancements from the perspective of integrated systems, including sensors, semiconductors, ECUs, platforms, and software, and developments from the perspective of vehicles and end-users, we are building systems to link cars with greater society and provide optimized controls as we aim to help realize a safe, secure, and eco-friendly mobility society amid the diverse kinds of mobility available today.

**Business Activities**

- Development and provision of electronic systems, services, and platforms that support all aspects of mobility
- Development and manufacture of cockpit products such as human–machine interface (HMI) control units, meters, head-up displays (HUDs), and center information displays
- Development and manufacture of connected driving products and services, including telematics control units (TCUs), electronic toll collection (ETC) on-board devices, and road-to-vehicle and vehicle-to-vehicle communication devices
- Development and manufacture of automated driving (AD) and advanced driver assistance system (ADAS)-related products, such as vision sensors, millimeter-wave radar sensors, sonar sensors, AD electronic control units (ECUs), sensors and ECUs for airbags, and driver status monitors (DSMs)
- Development and manufacture of electronic products, including powertrain ECUs and body ECUs
- Planning and development of retrofitted products such as acceleration control devices for when drivers accidentally step on the gas pedal

**Features**

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*PCU: Power Control Unit*
Advanced Devices

Using semiconductors to power systems and devices that help build a better society and address social issues including mobility.

We will create new devices and systems with flexible ideas by combining core technologies in semiconductors (the brain), sensing (the eyes), and actuation (the limbs). We will thereby contributing to achieving carbon neutrality. Our mobility systems that will enable safe and comfortable mobility and offer peace of mind, and solving social issues such as labor shortages and food problems by deploying electrification products.

Business Activities

■ Develop and manufacture products for drive systems, such as oil pressure control valves, evaporator products like ELCMs*1 and energy management products like MCVs*2

■ Develop and manufacture microelectronic devices, such as in-vehicle power semiconductors and integrated circuits (ICs)

■ Develop and manufacture in-vehicle/non-automotive sensing systems

*1. ELCM: Evaporative Leak Check Module
*2. MCV: Multi-flow Control Valve

Features

■ Apply flexible product development capabilities through the use of extensive sensing and actuation technologies

■ Development of custom ICs that meet the needs for higher functionality and miniaturization in line with the evolution of car electronics

■ Develop and manufacture silicon/SiC power semiconductors and power modules, and build a strong supply foundation through collaboration with partners

Industrial Solutions

Enhancing the productivity of the Monozukuri (manufacturing) industry and improving quality of life.

Our mission in the Industrial Solutions Business Group is to realize carbon-neutral Monozukuri (manufacturing), from the perspective of “green,” and to build a society that expands human potential, from the perspective of “peace of mind.” Guided by this mission, we will work to earnestly address the Monozukuri-related issues facing our customers, providing them with solution packages that resolve such issues in a manner that best suits their needs. By doing so, we will make significant contributions to industrial and social progress.

Business Activities

■ Development and manufacture of industrial equipment best exemplified by our automated equipment, modules, and industrial-use robots

■ Development and manufacture of equipment for use by society, including handy terminals and QR and RFID payment and recognition solutions, and provision of services (building access management systems, automated checkout systems for company cafeterias, facial recognition systems, etc.)

*RFID: RFID is a system that uses electromagnetic waves to simultaneously scan multiple tags without contact.

Features

■ Monozukuri (manufacturing)-related know-how and skills that have served as DENSO’s competitive edge over the 70 years since the Company’s establishment as well as high-quality, highly durable production assets such as the facilities and robots that we have verified and refined at our 130 factories across the globe

Green Peace of Mind

Peace of Mind Green
Food Value Chain

Combining technologies and ideas to provide new value and contribute to a society where all people can live safely and with peace of mind

Food is essential to human life. Together with our business partners, we will integrate the technologies for industrialization that we have cultivated in our automotive businesses, with a focus on the entire food value chain. While doing so, we will provide solutions that cater to each region of the world.

Business Activities

- Manufacture and sale of turnkey solutions* for horticultural facilities [consulting and cloud services related to greenhouse materials, devices, and cultivation] as well as the provision of after-sales services
- Manufacture and sale of in-vehicle refrigeration units and compact mobile refrigeration units as well as the provision of after-sales services

* lineup of products and services combined in an optimized way to enable all people involved in agriculture to produce crops in a stable manner

Features

- Proposal of optimal horticultural facility-related product combinations that integrate cutting-edge technologies from Europe and other regions advanced in agriculture to address the individual needs and issues facing agricultural producers
- Provision of high-quality cold chain products that meet a broad range of needs related to food delivery
Over its 70-year history, DENSO has cultivated various unique strengths. These strengths have been passed down since DENSO’s founding and further refined through the Company’s DNA, the DENSO Spirit, which permeates the actions of all DENSO employees around the world. The connections between these strengths have driven DENSO’s growth over the years. Amid a challenging business environment going forward, DENSO will further enhance these strengths as the driving force behind value creation that is uniquely DENSO.

Research and Development

Through the accumulation of a long research and development (R&D) track record, which has supported our cutting-edge car manufacturing techniques, we are able to make full use of technologies that cover a broad range of fields, including chemistry, physics, electronic engineering, and software. This in turn enables us to create competitive products.

Creating Over 130 World-First Products

We have established “contributing to a better world by creating value together with a vision for the future” as the DENSO Philosophy. By keenly ascertaining social changes, we have been engaging in product development with a commitment to world-firsts since our establishment. We have created over 130 world-first products, including gas injection heat pump systems, common rail systems, millimeter-wave radar, and injectors, which have provided us with a driving force for growth.

Technical Centers in Seven Regions throughout the World and Laboratories in Epicenters of Innovation

We have established technical centers in seven regions across the globe, in addition to laboratories in Canada, Israel, Silicon Valley, and other epicenters of innovation. We also promptly incorporate diversified regional needs into our development process to create competitive products, which are subsequently delivered to our customers.

Advanced Research That Estimates and Anticipates the Future Mobility Society

Since establishing the Fundamental Research Center in 1991 (renamed the Advanced Technology Research Laboratories in 2017), we have been carrying out research and development for over 30 years with a focus on 5 to 20 years in the future in an effort to develop and popularize techniques that will comprehensively resolve social issues. We position materials technology, which creates new functional materials, advanced Monozukuri (manufacturing) skills, which underpin DENSO’s value creation, and AI technologies, which are essential to automated driving, as core technologies and are conducting advanced research in a wide range of fields aimed at realizing the practical application of such technologies.
Through our **Monozukuri** (manufacturing) capabilities that combine our technologies and techniques, we create innovative, world-first ideas one after the other. Through the high-level production technologies we possess, we create added value in the form of high efficiency and high quality. We also independently create semiconductors that require a high level of accuracy.

**Production Structure That Enables Mass Production of World-First and World-Only Products**

DENSO leverages world-class micro-processing, paying attention to detail down to the 1/1000 mm, and an assembly line that improves production efficiency and quality. DENSO also supports world-first products and the world's highest level of product performance and quality from a **Monozukuri** (manufacturing) perspective by designing and manufacturing its own equipment and production lines.

**Working to Improve Productivity That Connects People and Factories Globally**

We take our abundance of data on people, products, and facilities and convert it into valuable information, such as information on signs of equipment flaws and information that contributes to expert know-how. We offer such information to people that desire it at the times they need it and in a format that they prefer. By doing so, we are accelerating activities aimed at making improvements and contributing to the growth of people. We aim to form global linkages between our 130 plants in an effort to improve productivity on a Groupwide basis.

**Promoting EF Activities Focused on Eliminating Product Defects and Lost Operational Time**

Our plant general managers lead the way with excellent factory (EF) activities in which all factory workers participate. By focusing on making improvements to areas that are easily overlooked and establishing production lines that create high-quality products, EF activities make it easy to identify issues within our factories. Through the continued efforts of all employees to address issues when they do occur, EF activities cultivate human resources that are dedicated to making improvements and also help us realize a global-leading level of competitiveness.

**Hitozukuri**

Based on the idea that “the best products are made by the best human resources,” we have been instilling the DENSO Spirit, our DNA, in all employees in an effort to cultivate personnel who can tackle the issues they face and create new technologies and products without fearing change.

**Boldly Taking On New Challenges No Matter What the Circumstances**

The DENSO Spirit is one of foresight, credibility, and collaboration. It also establishes a culture of values and beliefs that DENSO has cultivated since its establishment in 1949. According to the DENSO Spirit is shared among all employees. As an action guideline that provides the driving force for contributing to the mobility society and the lifestyles of people as well as the source of our competitiveness, the DENSO Spirit permeates the actions of the approximately 170,000 DENSO Group employees around the world. Guided by this spirit, we are using the passion and ambition of all our employees as the driving force for implementing our day-to-day work procedures and accelerating innovation amid this period of dramatic change.

**Introducing a Global Common Personnel Management System to Promote the Active Role of a Diverse Group of Employees**

In 2016, DENSO introduced a global common personnel management system targeting the members of senior management at its headquarters and at each Group company. This system incorporates a “Global Individual Grade” that focuses on the individual capabilities of senior management members. By using a common grading tool to evaluate and promote its senior staff, DENSO allows its personnel around the world to develop their careers on a global scale. Through this system, DENSO aims to further develop its global business by recruiting employees with a diverse range of values and abilities.

**Nurturing Advanced Technicians as the Key to Corporate Growth**

To nurture advanced engineers and technicians, DENSO has been operating the DENSO Industrial School (offering industrial high school and specialized vocational high school courses), which carries on the tradition of the technical training schools established in 1954. In addition to domestic Group companies, this school supports the development of technicians from certain suppliers and overseas offices. Many young technicians who participated in our educational systems have gone on to become WorldSkills Competition medalists who compete at the world’s highest level.
Sustainability Management

DENSO aims to be a force for good, whether it’s crafting technology that improves the safety and efficiency of vehicles, or in our sustainable management of all of our facilities. DENSO has aligned with the United Nations 17 Sustainable Development Goals to promote prosperity while protecting the planet.

To conduct sound and stable business activities and realize sustainable growth amid the rapidly changing business environment, a solid corporate foundation is essential. To this end, DENSO is engaged in efforts to promote the active role of its personnel and to enhance the motivation of its employees through health management and other measures to ensure they are able to use their abilities to the greatest extent possible. DENSO is also working to strengthen information security and compliance. Efforts such as these help ensure that the Company does not damage its corporate value.

Promoting Diversity & Inclusion

We value new ideas that are created by our employees with diverse backgrounds, and we believe that nurturing kindhearted, thoughtful employees who respect each other’s individuality is essential for realizing sustainable growth. To this end, we are promoting diversity and inclusion, which involves making full use of the skills and perspectives of our employees around the world in order to realize an organizational environment and culture that embraces all individuals, regardless of gender, age, nationality, disability, sexual orientation, career history, and value systems.

Ways of Working with Tremendous Speed and Efficiency

By carrying out three reforms to improve the workplace, DENSO will increase job satisfaction, speed up business and become more competitive.

<table>
<thead>
<tr>
<th>Work Reform</th>
<th>Management Reform</th>
<th>Communication Reform</th>
</tr>
</thead>
<tbody>
<tr>
<td>We will create an environment where employees can concentrate on their work and give their best.</td>
<td>We will provide training for managers to increase synergies and communicate better with subordinates so that personnel from different backgrounds can maximize the results.</td>
<td>We will encourage communication among employees and make the workplace more lively and enjoyable so that employees can find greater job satisfaction.</td>
</tr>
</tbody>
</table>
Company Profile

As of March 31, 2022

Company name
DENSO CORPORATION

Established
December 16, 1949

Head Office
1-1, Showa-cho, Kariya, Aichi 448-8661, Japan

Capital
¥187.5 billion

Revenue
Consolidated basis ¥5,515.5 billion (US$45.1 billion)\(^3\)

Operating Profit
Consolidated basis ¥341.2 billion (US$2.8 billion)\(^3\)

Profit\(^2\)
Consolidated basis ¥263.9 billion (US$2.2 billion)\(^1\)

Employees
Consolidated basis: 167,950
Non-consolidated basis: 45,152

Consolidated Subsidiaries
198
(Japan 63, North America 21, Europe 27, Asia 80, Others 7)

Affiliates under the Equity Method
84
(Japan 23, North America 11, Europe 17, Asia 29, Others 4)

Fiscal Year
From April 1 to March 31

Main Facilities in Japan

As of April 1, 2022

Headquarters / Plants / Laboratories

<table>
<thead>
<tr>
<th>Headquarters / Plants / Laboratories</th>
<th>Employees (^*)</th>
<th>Main Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headquarters</td>
<td>12,636</td>
<td></td>
</tr>
<tr>
<td>Anjo Plant</td>
<td>4,844</td>
<td>Manufacture starters, alternators, inverters, motor generators, electric power steering motors</td>
</tr>
<tr>
<td>Nishio Plant</td>
<td>6,768</td>
<td>Manufacture car air-conditioners, radiators, electronic diesel/gasoline fuel injection components</td>
</tr>
<tr>
<td>Takutana Plant</td>
<td>3,143</td>
<td>Manufacture of instrument clusters, head-up displays, millimeter-wave radar sensors, vision sensors, power modules, various sensors components</td>
</tr>
<tr>
<td>Kosai Plant</td>
<td>3,550</td>
<td>Manufacture of compact motors for wiper systems, power windows, etc.</td>
</tr>
<tr>
<td>Daian Plant</td>
<td>4,566</td>
<td>Manufacture of ignition components, advanced safety products, valve train components, exhaust emission control components</td>
</tr>
<tr>
<td>Kota Plant</td>
<td>3,394</td>
<td>Manufacture of integrated circuits and electronic control components</td>
</tr>
<tr>
<td>Toyohashi Plant</td>
<td>1,019</td>
<td>Functional parts for car air-conditioners and water pump for fuel-cell vehicle and servo motor module and CO2 heat pump hot water supply systems</td>
</tr>
<tr>
<td>Hirose Plant</td>
<td>1,057</td>
<td>Manufacture of inverters, ECUs and power semiconductors</td>
</tr>
<tr>
<td>Agui Plant</td>
<td>826</td>
<td>Manufacture of machinery and tools</td>
</tr>
<tr>
<td>Toyohashi East Plant</td>
<td>758</td>
<td>Manufacture of compact motors for blowers, cooling fans, etc.</td>
</tr>
<tr>
<td>Zenmyo Plant</td>
<td>1,135</td>
<td>Manufacture electronic diesel/gasoline fuel injection systems</td>
</tr>
<tr>
<td>Advanced Research and Innovation Center</td>
<td>216</td>
<td>Research in functional materials, AI and ergonomics</td>
</tr>
<tr>
<td>Global R&amp;D Tokyo</td>
<td>140</td>
<td>R&amp;D in advanced driver assistance systems, connected fields, and automotive electronics systems fields</td>
</tr>
<tr>
<td>Global R&amp;D Tokyo, Haneda</td>
<td>112</td>
<td>Advanced mobility development</td>
</tr>
<tr>
<td>Nisuta Proving Ground</td>
<td>28</td>
<td>Test driving for automotive components</td>
</tr>
<tr>
<td>Otsu Technology Training Institute</td>
<td>23</td>
<td>Engineers training</td>
</tr>
<tr>
<td>Shin Yokohama Innovation Lab</td>
<td>22</td>
<td>Research and development of MaaS</td>
</tr>
</tbody>
</table>

* As of March 31, 2022

Offices / Divisions / Branches

Tokyo Office
Osaka Division Iwate Branch Miebuschi Branch D-Square Branch

Tokyo Division Hiroshima Division Kobe Branch Takamatsu Branch

Tokyo Division Utsunomiya Office Nagoya Office Nagoya Mihama Branch Koshiku Branch

*1: U.S. dollar amounts have been translated, for convenience only, at the rate of 122.39 yen = US$1, the approximate exchange rate prevailing on March 31, 2022. Billion is used in the American sense of one thousand million.

*2: Profit attributable to owners of the parent company.

*3: Fiscal consolidation basis of the parent company.
Financial Data

Consolidated Revenue by Business Group

- **Powertrain Systems** 51.4%
- **Thermal Systems** 23.2%
- **Mobility Systems** 24.6%
- **Electrification Systems** 20.6%
- **Sensing System, Semiconductor** 3.2%
- **Non-automotive Business (Factory Automation/Agriculture, etc.)** 3.4%
- **Other Automotive** 2.4%

Sales by Customers

- **FORD** 2.4%
- **SUBARU** 2.0%
- **CM** 2.3%
- **FCA, PSA** 3.6%
- **HONDA** 7.1%
- **TOYOTA Group: TOYOTA, DAIHATSU, HINO** 51.4%
- **Others** 11.6%

Operating Profit

- **2018**
  - 612.7 billion yen
- **2019**
  - 611 billion yen
- **2020**
  - 264.7 billion yen
- **2021**
  - 241.2 billion yen
- **2022**
  - 244.4 billion yen

Profit

- **2018**
  - 316.2 billion yen
- **2019**
  - 61.1 billion yen
- **2020**
  - 68.1 billion yen
- **2021**
  - 125.1 billion yen
- **2022**
  - 155.1 billion yen

Total Assets

- **2018**
  - 5,764.4 billion yen
- **2019**
  - 5,792.4 billion yen
- **2020**
  - 5,651.8 billion yen
- **2021**
  - 5,764.4 billion yen
- **2022**
  - 6,767.7 billion yen

*Indicated based on the business name as of July 1, 2021
Global Network

Europe
Companies: 27
Employees: 14,496
Revenue: 561.4 billion yen

Asia
Companies: 80
Employees: 47,421
Revenue: 1,637.9 billion yen

Japan
Companies: 64
Employees: 79,605
Revenue: 3,515.1 billion yen

North America
Companies: 21
Employees: 23,604
Revenue: 1,160.2 billion yen

Others
Companies: 7
Employees: 2,824
Revenue: 76.6 billion yen

Revenue by Segment

Europe
- 2022: 561.4 billion yen
- 2020: 443.3 billion yen
- 2021: 545.9 billion yen

Asia
- 2022: 1,637.9 billion yen
- 2020: 1,278.5 billion yen
- 2021: 1,303.8 billion yen

Japan
- 2022: 3,515.1 billion yen
- 2020: 1,637.9 billion yen
- 2021: 3,515.1 billion yen

North America
- 2022: 1,160.2 billion yen
- 2020: 1,026.2 billion yen
- 2021: 1,176.3 billion yen

Others
- 2022: 76.6 billion yen
- 2020: 40.4 billion yen
- 2021: 60.7 billion yen

*The number of employees excludes personnel dispatched to consolidated companies but includes personnel on loan from consolidated companies. Temporary staff are also excluded from the number of employees.
*Consolidated revenue is from external customers.