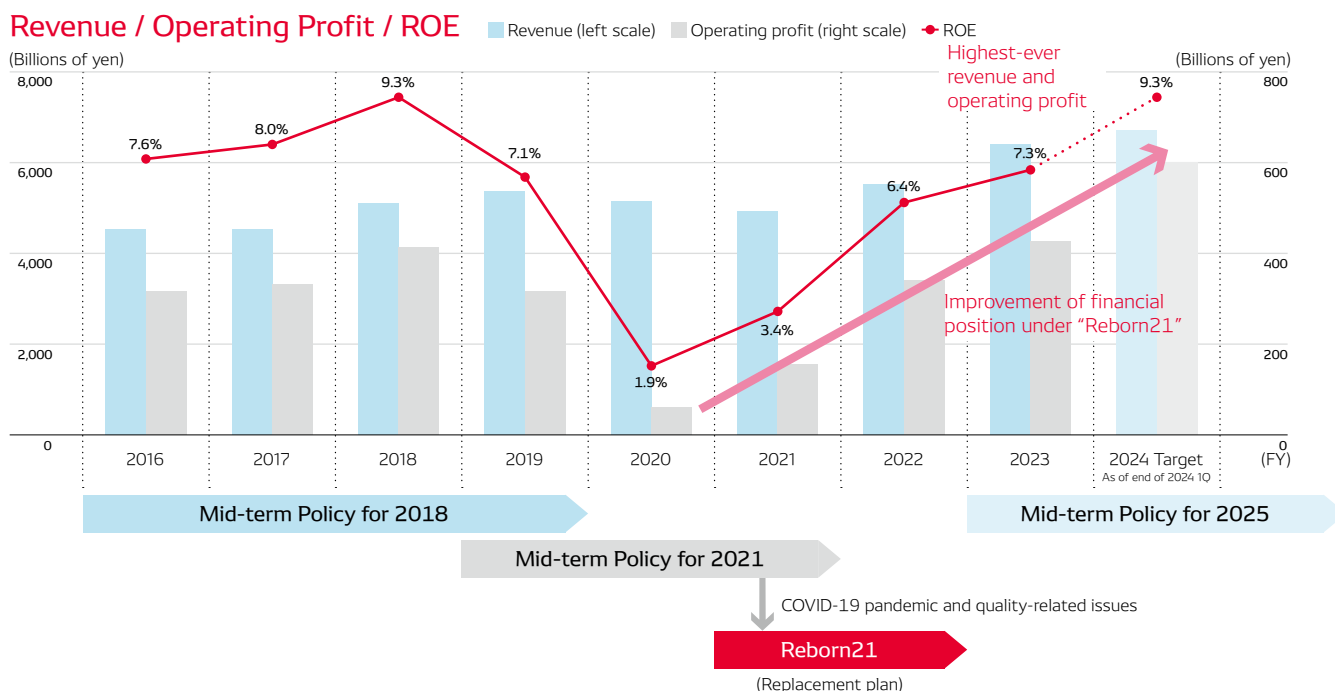


## Recent Forward-Looking Initiatives and Their Achievements

In accordance with the philosophy of sustainability management, DENSO has kept its focus firmly on the future and continuously developed strategies aimed at both addressing social issues and enhancing corporate value. In fiscal 2019, we began steadily implementing an action plan based on the Mid-term Policy for 2021. In fiscal 2020, however, our foundations were shaken by the COVID-19 pandemic and quality-related issues on an unprecedented scale. In response, DENSO replaced the policy with “Reborn21,” a plan aimed at reflecting the latest business conditions and transforming the Company into a “high-quality DENSO.” Under this new plan, we rebuilt our management foundations, and the benefits of these efforts are steadily emerging. For example, we posted record revenue and operating profit in fiscal 2023.



	Mid-term Policy for 2018 (FY2016 to FY2019)	“Reborn21” (FY2021 to FY2022)
<b>Tasks</b>	<p><b>Strengthen the foundations for taking on new challenges and realize steady growth</b></p> <p>Establish foundations for long-term growth by investing upfront in the green and peace of mind and safety fields in preparation for expansion of the CASE vehicle field, by expanding overseas, aftermarket, and new businesses in line with growth in emerging countries, and by strengthening global development and increasing <i>Monozukuri</i> efficiency</p>	<p><b>Transform the Company into a “high-quality DENSO”</b></p> <p>Respond to shaken management foundations and changes in the business environment in the wake of the COVID-19 pandemic and quality-related issues on an unprecedented scale by rebuilding management foundations through the restoration of quality and transformation that gives the Company a lean, resilient corporate structure</p>
<b>Main achievements</b>	<p><b>Green and peace of mind</b></p> <ul style="list-style-type: none"> <li>Launched Global Safety Package, our first active safety system</li> <li>Established Electrification Systems Business Group for vehicle electrification</li> </ul> <p><b>Aftermarket and new businesses</b></p> <ul style="list-style-type: none"> <li>Formulated and promoted a growth scenario by positioning factory automation (FA) and the agricultural field as new business mainstays</li> </ul> <p><b>Overseas</b></p> <ul style="list-style-type: none"> <li>Introduced a uniform human resource system worldwide</li> <li>Increased development personnel in the vehicle electrification, advanced driver assistance systems (ADAS), and software fields</li> <li>Established <i>DANTOTSU</i>* plants in Japan and advanced their establishment overseas</li> </ul>	<p><b>Quality</b></p> <ul style="list-style-type: none"> <li>Reinforced our fundamental technologies, created excellent working environments that ensure open communication, and adopted a humble stance</li> </ul> <p><b>Business</b></p> <ul style="list-style-type: none"> <li>Accelerated business portfolio reweighting in accordance with the green and peace of mind principles</li> </ul> <p><b>Our people and organization</b></p> <ul style="list-style-type: none"> <li>Improved employee engagement and introduced PROGRESS as a new vision for our people and organization</li> </ul> <p><b>Finance</b></p> <ul style="list-style-type: none"> <li>Reduced costs by ¥91 billion over two years and improved the break-even point by 6 percentage points</li> </ul>
<b>Remaining tasks</b>	<ul style="list-style-type: none"> <li>Strengthen ability to propose system solutions that reflect the increasing complexity of automobiles</li> <li>Establish a business model for mobility services</li> <li>Establish <i>DANTOTSU</i> plants overseas</li> </ul>	<ul style="list-style-type: none"> <li>Promote human resource portfolio transformation (human capital <a href="#">□□P.74-77</a>)</li> <li>Increase adaptability to inflation and other changes in the environment (financial capital <a href="#">□□P.66-73</a>)</li> </ul>

\* A plant operating at such a high level that it cannot be compared to other plants