

## A Third-party Comment about DENSO CSR Report 2006



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IIHOE was founded in 1994 and supports democratic and balanced development for all lives on earth. It supports NPOs and corporate management that is oriented toward social responsibility.

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This comment is created based on the contents of this report and hearings with employees responsible for the report. We have developed PDCA (management cycles) in a wide range of activities such as the reduction of environmental impact, the enhancement of diversity in personnel and requesting business partners to work on CSR activities. We believe that our CSR activities can serve as a model for other companies.

### Points to be Valued

- Based on the DENSO Group Declaration of Corporate Behavior, you appointed and sent CSR leaders to each one of your departments and group companies to develop CSR activities with specific goals. (P7/8)
- You recently established the DENSO Training Academy-Thailand for promoting technological improvement under the initiatives of local personnel. You also regularly hold Associate Relations Reviews and global HR forums. You continuously promote environments for enhancing diversity in personnel. For example, the physically challenged take part in the Abilitympics and demonstrate their skills. (P13-16/31-33)
- You implement supportive measures for a well-balanced work and family life to support female employees. For example, you increased the worksites where female employees on a main career track can exercise their competences and allowed employees to use the childcare leave and reduced-working-hour system for up to three years before the child's graduation from an elementary school. (P32/33)
- You have carried out the Safety, Health and Environment Mutual Diagnosis every year since 1975 for 70 middle-class suppliers who are members of the DENSO Hisyukai (P28)
- You reorganized the Environment Committee globally and developed a system whereby your employees can proactively share cases, knowledge and technology. (P43)
- You developed a series of new products which have a world-class environment-saving capability, based on your original EMS. (P47-49)
- You increased opportunities for communication with stakeholders and steadily carry out their proposals based on their comments and feedback. (P17-18/57)

### Further Efforts are Desired

- As soon as the drastic increases in production become apparent, the executives of your company and departments in charge should strive for the goal of reduced CO<sub>2</sub> emission amounts larger than increases in production. You should be more fully aware now that this same situation has been highlighted for the fourth consecutive year. Your efforts regarding this matter must be more visible, and to achieve that, you must specify which plants and production lines cause the enormous increases in CO<sub>2</sub> emissions. And describe the actual situation in detail concerning your efforts to solve this problem. You also should specify the processes necessary to achieve the goals of EcoVision 2015—the reduction of CO<sub>2</sub> by 10 percent by the end of 2010.
- You must strive to enhance safety and the awareness of human rights in concert with all of your supply chains so that every employee who handles raw materials, parts, and products, including employees in raw-material extraction sites and maintenance shops, can continue under proper working conditions and in a hygienic environment. To that end, you are expected to closely investigate the current circumstances surrounding temporary workers and contract-based workers and workers in developing countries and strengthen your supportive measures.
- You must provide environmental support, especially to developing countries, as a part of international cooperation, such as assisting them in the recalling and disposing of materials with high global-warming potential.

## Response from DENSO, Regarding the above Evaluation

As we did last year, we requested an evaluation of this report from Hideto Kawakita, CEO of the International Institute for Humans, Organizations and the Earth (IIHOE), an outside organization.

This year, DENSO group companies shared our CSR philosophy and promoted our efforts by setting tasks and goals. As a result of our activities to improve and respond to what was pointed out last year (please refer to P57 about the contents), we believe our total CSR activities were evaluated.

As our business is making progress in the global arena, our CSR activities overseas are sure to become important. Identifying problems and challenges in both domestic and overseas regions and reflecting them in our activities, we will strive to enhance our efforts to promote CSR.

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