

# Create good relations with communities

## Principal Initiatives

### Communication with communities

Daifuku has a number of sites and offices around the world where it conducts business operations, including production and sales. Building good relations with communities at each site is a key goal for Daifuku and is essential to maximize our business activities. Accordingly, we strive to proactively communicate with communities through volunteer activities and collaboration with various organizations, while taking into account the cultures and legal requirements unique to each country and region.

### Communication with shareholders and investors

Promoting constructive dialogue with our shareholders and investors through our investor relations (IR) activities has significant implications for Daifuku's sustainable growth and the medium- to long-term improvement of the corporate value. In accordance with Japan's Corporate Governance Code stipulated by the Tokyo Stock Exchange, we formulated the Daifuku Corporate Governance Guidelines in May 2016. Based on these guidelines, we strive to secure the rights and equal treatment of shareholders and enhance dialogue with them.

### Initiative materiality and relationship to SDGs

#### Materiality

- Encourage communication with local communities and society at large, and social contribution activities
- Encourage communication with shareholders and investors

#### CSR Action Plan KPIs and targets for 2020

- Number of participants in social contribution activities: 2,000
- Publication of reports that contain non-financial data, and listing this on the website:  
Continued publication of combined reports in Japanese and English, including surveys and evaluations such as questionnaires
- Number of participants in briefings for private investors:  
We are placing restrictions on the attendance and organizing of events throughout fiscal 2020 to prevent the spread of COVID-19



SDGs pursued by Daifuku

## Promotion Framework

### Communication with communities

In the CSR Action Plan (FY2017-FY2020) announced in April 2017, we included the number of Daifuku Group participants in social contribution activities as a new KPI (key performance indicator). In Japan, we will continue our social contribution by collaborating with communities through initiatives led by the General Affairs Department and the Environmental Enhancement Management Committee.

### Communication with shareholders and investors

The Disclosure Committee chaired by the CEO discloses information based on laws and regulations, while the Investor Relations (IR) Department mainly conducts other information disclosure and dialogue in cooperation with relevant departments. For individual shareholders and investors, we provide site tours, participate in IR fairs, and conduct briefing sessions through securities companies. Another goal of these events is to raise awareness of Daifuku among the public and consumers. We are placing restrictions on the attendance and organizing of events throughout fiscal 2020 to prevent the spread of COVID-19.

## Communication Initiatives

> **KPI** (Key Performance Indicators) is an evaluation index to judge achievement of the CSR action plan. [PDF](#) (212 KB)

### [Relations with local communities]

#### Number of participants in social contribution activities

**KPI**

The target for fiscal 2020 was 2,000 people, and the actual number of participants was 2,216 people. We will continue to share information so as to facilitate awareness of our social contribution activities.

#### Investment in Local Communities

Type	Content	FY2020 investment amount (yen)
Environmental preservation	Donations from Daifuku's Eco-Action Program to external environmental groups	3,110,000
	Costs of cleaning and greening activities around Daifuku sites	2,340,000
	Costs of biodiversity preservation activities	3,604,571
Community contribution	Regional Revitalization Team Project donations and activity costs	1,120,512
Nurturing the next generation	Visits to Hini Arata Kan from universities, vocational schools, and elementary and junior high schools	285,600
Total		10,460,683

#### Local procurement and local hiring

Daifuku believes that one of the activities that contributes to the local economy is to procure in the vicinity of its operating area. We are dedicated to the growth of communities through our procurement in the area of the Shiga Works and other regions. With regard to hiring as well, we actively seek out talent in the vicinity of our sites and provide employment opportunities. We will continue to contribute to the vitalization and advancement of regional economies through local procurement and employment.

#### Temporary evacuation shelter



In March 2015, an agreement was concluded with Hino Town, Shiga Prefecture, concerning the temporary use of Daifuku facilities as an evacuation shelter for neighboring residents in the event of a natural disaster, as requested by local residents for the Shiga Works to act as an emergency evacuation shelter. The agreement was concluded after conducting a simulation of receiving evacuees and confirmation of the contents of the agreement with other companies operating in the vicinity of the Shiga Works. It forms part of Daifuku's social contribution efforts.

#### Community cleanup activities



Daifuku regularly maintains and cleans a popular tourist spot, Shakunage-kei (Rhododendron Gorge) near the Shiga Works. Since 2005, we are participating in a pre-season general cleanup drive organized by the Hino Tourism Association every April. Our employees also participate in Shiga Prefecture's "Ohmi Eco-Foster System," which includes activities that help protect the local environment. Finally, our employees remove trash from roads near our facilities every month. This program was cancelled in fiscal 2020 to prevent the spread of COVID-19.

#### Nature conservation around Lake Biwa



Daifuku employees from the Shiga Works take part in a yearly activity to clip phragmites surrounding Lake Biwa together with local residents, companies and environmental conservation groups. To protect phragmites plains, which play an important role in preserving the ecosystem and water health of Lake Biwa, it is essential to trim the overgrown reeds every winter. The clipped phragmites are used as raw materials for paper products. This program was cancelled in fiscal 2020 to prevent the spread of COVID-19.

## Ground Golf Competition



As part of our efforts to contribute to the local community, since fiscal 2018 Daifuku has been sponsoring the Daifuku Cup Ground Golf Competition, which is held by the Shiga Prefecture Hino-cho Ground Golf Association. During the second Competition held in 2019, a total of 398 people participated from 12 neighboring towns and Mie Prefecture. This program was cancelled in fiscal 2020 to prevent the spread of COVID-19.

## Regional Revitalization Team Project



In fiscal 2019, Shiga Works launched a Regional Revitalization Team Project to promote interaction between employees and neighboring communities. In fiscal 2020, we took thorough measures to prevent the spread of COVID-19, and held events such as selling assorted sweets from local confectionary shops and featuring coffee bean stores.

## Workplace tour



The Daifuku Kids Day was held at the Tokyo Head Office in August 2019. This event was designed to strengthen family ties by allowing children the opportunity to visit the workplace of their parents or guardians. In addition to a workplace tour, visiting children also participated in competitions, workshops, and other fun events.

## Donation of relief goods to hurricane victims



Hurricane Michael wreaked havoc in the southern United States in October 2018, causing significant damage in its wake. Employees at Elite Line Services, Inc. collected various supplies in support of the victims. The supplies were donated to the Dove Church in Southport, Florida, in December 2018. The church delivered the collected relief supplies—blankets, cleaning products, pillows, toiletries, clothes, and shoes—to more than 600 households.

## Event to collect used clothing



An event to collect used clothes was held at the Osaka Headquarters. This is a system in which an external organization provides vaccines to developing countries based on the amount of clothes collected. Linking the event to social service has yielded results beyond our expectations. We will continue to hold events that will achieve both employee satisfaction and social service.

## [Promote connections with shareholders and investors]

### Publication of reports with non-financial data, website postings

KPI

We published the integrated report Daifuku Report 2020 in English and Japanese, and also released an e-book edition. This report briefly summarizes highly important information on the value creation activities of the Daifuku Group.

### Number of participants in briefings for private investors

KPI

Due to countermeasures against COVID-19, the scheduled events were not held. In addition, in fiscal 2020, we refrained from participating in and holding events and have no achievements.

### Hini Arata Kan Tours for shareholders

Every year we hold tours for 200 to 300 shareholders to the Hini Arata Kan exhibition center in the Shiga Works, but in fiscal 2020 we had no choice but to cancel the tour in order to prevent the spread of COVID-19. We have also decided to cancel the tour for fiscal 2021 for the same reason.