

**2025
YOKOGAWA CHINA
SUSTAINABILITY
REPORT**



Report Profile

Scope of Report

This is the first Environmental, Social and Governance (ESG) report released by Yokogawa Electric Corporation's subsidiaries in China. The scope of this Report covers Yokogawa China Co., Ltd., Yokogawa China Investment Co., Ltd., and part of the ESG initiatives of Yokogawa Sichuan Instrument Co., Ltd.

Period Covered

This is an annual report covering the period from April 1, 2024 to March 31, 2025. To enhance the completeness of this Report, some contents are extended.

Data Sources and Scope

The qualitative information and quantitative data disclosed in this Report are derived from the original records of the company's actual operations or annual reports. The data scope will be indicated respectively; unless otherwise specified, the data pertains to Yokogawa China Co., Ltd. and Yokogawa China Investment Co., Ltd.

Basis of Preparation

This Report is prepared with reference to the *Self-Regulatory Guidance for Listed Companies — Sustainability Report (Trial)*, the *Sustainability Reporting Standards* of Global Reporting Initiative (GRI), and the United Nations Sustainable Development Goals (SDGs).

Reference Explanation

In this Report, "YOKOGAWA" and "YOKOGAWA Group" refer to Yokogawa Electric Corporation and its consolidated subsidiaries. Unless otherwise specified, "YOKOGAWA China" in this Report refers to "Yokogawa China Co., Ltd." and "Yokogawa China Investment Co., Ltd.".

CONTENTS

01-14

Introduction

- 01 Executive Message
- 05 Corporate Milestones
- 07 External Honors and Awards in 2024
- 09 YOKOGAWA in China

15-26

Sustainability Goals

- 15 Sustainability Management
- 21 Materiality Analysis

27-56

Social: Value Co-Creation

- 29 Strengthening Talent Cultivation
- 34 Building a Healthy Workplace Together
- 41 Quality Assurance
- 44 Driving Sustainable Innovation
- 48 Promoting Industry Development
- 52 Pooling Community Strengths
- 53 Social Special Column
- 53 Deciphering the Code of Life with Subcellular Precision: Mitochondrial Analysis Technology Empowering the Great Health Ecological Chain
- 55 Cutting-Edge Technology Platform Empowering Pharmaceutical Innovation: Health Ecology Practice of Yokogawa-BioBAY Cooperation

57-74

Environmental: Ecological Responsibility

- 59 Responding to Climate Change
- 63 Controlling Environmental Management Strictly
- 67 Optimizing Resource Circulation
- 69 Environmental Special Column
- 69 Reshaping Community Operations with Smart Energy Solutions to Lead a Low-Carbon Life
- 71 Enhancing Efficiency and Reducing Emissions in Nanning Waste-to-Energy Project with Automated Hydraulic Cleaning System
- 73 Supporting the Sustainable Localized Production of Battery Raw Materials: Supplying DCS & SIS Control Systems for a US Factory

75-86

Governance: Cornerstone of Accountability

- 77 Enhancing Corporate Governance
- 79 Upholding Business Ethics
- 82 Building a Responsible Supply Chain
- 84 Safeguarding Digital Assets
- 86 AI Application and Governance

87-88

Appendix

- 87 GRI Indicator Index
- 88 Feedback and Suggestions



Executive Message



Sixty Years of Cultivation: Creating a Sustainable Future through ESG Management

In 2025, YOKOGAWA will mark the significant milestone of 60th anniversary in China. As we reach this remarkable moment, we take great pride in our contribution to China's industrial development over the past six decades and reaffirm our commitment to achieving even greater progress as we enter a new era. Based on the technical strength and customer trust accumulated in the field of industrial automation, YOKOGAWA China adheres to the Group's purpose of "Utilizing our ability to measure and connect, we fulfill our responsibilities for the future of our planet" and continues to promote common development with Chinese society.

In the environmental (E) field, with a focus on China's "carbon peaking and carbon neutrality" (Dual Carbon) goals, we concentrate on advancing work in two major directions. For the green transformation of the petrochemical industry, by applying YOKOGAWA's advanced industrial automation control systems, instrument sensors, and AI optimization solutions, we assist existing factories in improving energy efficiency and reducing environmental impact. In the field of renewable energy, we actively promote the application of technologies such as Waste-to-Energy to enhance the utilization of renewable energy and support the achievement of carbon neutrality goals. Additionally, in support of the sustainability of the new materials industry, through the introduction of high-precision control systems and measuring instruments, we provide technical support for chemical fiber manufacturing processes and battery industry processing and recycling stages, thereby promoting the establishment of resource recycling models.

In the social (S) field, based on an in-depth understanding of the demands and characteristics of the Chinese market, we focus on advancing three major strategies: First, accelerating localized innovation, strengthening the new product development system, and tailoring technical solutions for the Chinese market. Second, deepening strategic partnerships, strengthening cooperation with top Chinese scientific research institutions and leading enterprises to jointly promote the development of pharmaceutical process support technologies and regenerative medicine solutions. Third, implementing talent development programs, expanding industry-academia-research cooperation projects with local universities, and focusing on cultivating the next generation of technical talents.

We attach great importance to the protection of employees' rights and interests, diversified development, health and safety management, and capacity building. Adhering to the concept that "talents are the cornerstone of enterprise development", we fully invest in the cultivation and support of human resources.

In terms of strengthening corporate governance (G), three pillars are established to build a sustainable business foundation: First, improving the Information Security Management System and continuously upgrading cybersecurity protection and data protection systems. Second, establishing an AI ethics framework, formulating and implementing guiding principles to ensure the transparency and fairness of AI technology development and application. Third, building a green supply chain, strictly implementing environmental and social standards throughout the procurement process, and working with suppliers to improve sustainability.

Currently, the ESG concept is gaining increasing attention in China. YOKOGAWA China is actively embracing this development opportunity, leveraging 60 years of local experience and technical expertise to drive the transformation and upgrading of various industries in China. Especially in key areas such as energy transition, resource recycling, and digital transformation, we work closely with customers to co-create innovative solutions.

In this era of transformation, the core values of long-established trust and technological innovation are becoming increasingly prominent. At this new starting point of 60th anniversary of development in China, we practice the concept of ESG management and work with partners from all sectors to create a more sustainable and better future. We sincerely thank you for your continued support and cooperation!

Chairman & Director of Yokogawa China Co., Ltd.
Chairman & Director of Yokogawa China Investment Co., Ltd.
Director of Yokogawa Sichuan Instrument Co., Ltd.
Kazuhiko Takeoka



Yokogawa China Co., Ltd. and Yokogawa China Investment Co., Ltd. have always regarded the ESG concept as the core driving force of corporate development, with firmly adhering to the global sustainable development policy of the YOKOGAWA Group and are committed to promoting the realization of a sustainable society in the Chinese market. We profoundly recognize that the level of environmental governance, fulfillment of social responsibilities, and corporate governance has become an important criterion for measuring a company's comprehensive competitiveness and social credibility. Faced with multiple challenges such as climate change, energy transition, and technological innovation, we are deeply aware of our great responsibilities and also recognize the significant opportunities therein.

Since the entry into the Chinese market, we have always adhered to the corporate philosophy of contributing to the realization of a sustainable society, and have fully integrated ESG into our strategic planning and business practices. We continually promote the formulation and improvement of an ESG strategic roadmap, and establish a systematic goal management and disclosure mechanism to achieve effective management of the sustainable development process. From this year on, we officially release the ESG report that complies with international standards and responds to local Chinese issues, aiming to demonstrate our strategies and actions to the public with a transparent and responsible attitude.

We firmly believe that the long-term development of a company is inseparable from in-depth trust and extensive collaboration with its stakeholders. ESG is not only a way for us to respond to policy and market expectations, but also a key path to reshape corporate strategies and develop new types of competitiveness. In the future, we will further integrate the concept of sustainable development into product innovation, supply chain management, and corporate culture, and continuously explore new models of integrating commercial value with social value.

This report is a phased summary of our ESG progress, and more importantly, is also a commitment to the future. We hope to take this opportunity to gain more understanding and support from partners and all sectors of society. YOKOGAWA China is committed to working hand in hand with stakeholders, with innovation and responsibility as our driving forces, to move towards a more equitable, green and sustainable future. We would like to express our sincere gratitude to everyone who has paid attention to our growth.

President & CEO of Yokogawa China Co., Ltd.
President & CEO of Yokogawa China Investment Co., Ltd.
Koji Komatsu



Yokogawa Sichuan Instrument Co., Ltd. has been deeply engaged in the Chinese market, focusing on the R&D, manufacturing, and sales of differential pressure/pressure transmitters. Along with supporting customers in advancing their ESG practices, as a company with proprietary manufacturing facilities, we also fully integrate ESG principles into our corporate development strategy, objectives, and production operations, demonstrating our sustainability commitments with concrete actions.

In 2022, Yokogawa Sichuan Instrument Co., Ltd. officially established the SDGs Office, formulated the company's sustainability policy, setting SDGs targets in three areas: enterprise inclusion, environmental protection, and green economy, and systematically carried out a series of sustainability-related activities. These initiatives have significantly enhanced employees' understanding and awareness of ESG, laying a solid foundation for green transformation.

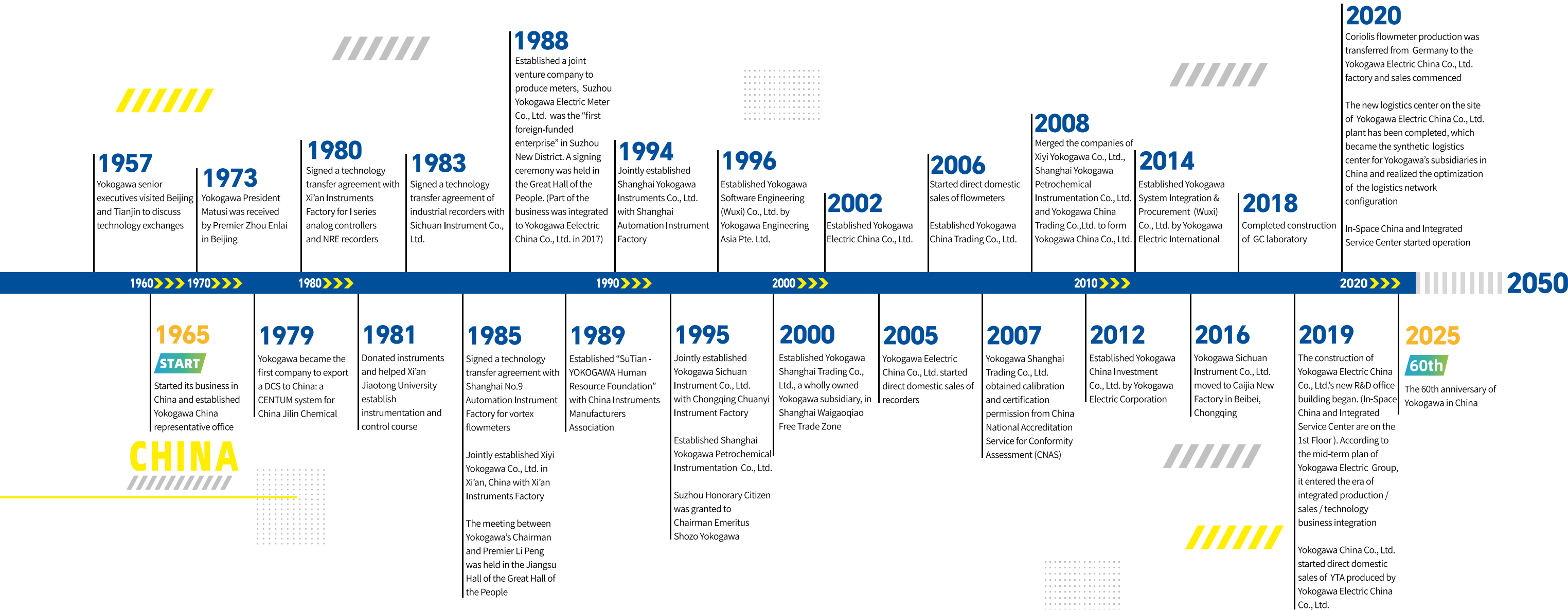
In terms of production and manufacturing, we actively introduce cutting-edge digital technologies and comprehensively promote the digital transformation (DX) and intelligent upgrading of the factory. This strategy has not only optimized production efficiency and resource utilization but also earned high recognition from customers and supplier partners. In 2021, we were awarded the title of "National-Level Green Factory" in China. In 2023, we received the designation of "Digital and Green Coordinated Demonstration Factory" in Chongqing, demonstrating our benchmark position in the industry.

As a member of the YOKOGAWA Group, Yokogawa Sichuan Instrument Co., Ltd. will continue to deepen ESG practices in the future, committed to integrating sustainability concepts throughout the entire chain of enterprise development. We sincerely hope to showcase our innovative actions and progressive achievements in the ESG field to all sectors of society through this report. In the future, we look forward to collaborating with partners to jointly fulfill YOKOGAWA Group's corporate purpose of "Utilizing our ability to measure and connect, we fulfill our responsibilities for the future of our planet" and contribute solidly to global sustainability.

Director & General Manager of Yokogawa Sichuan Instrument Co., Ltd.
Masahito Endo



Corporate Milestones



横河中国历史

YOKOGAWA CHINA'S HISTORY

External Honors and Awards in 2024

Yokogawa China Co., Ltd.
Outstanding Employer Award

Issuing Organization
51Job

Yokogawa China Co., Ltd.
**TOP 20 Excellence Award for Future Management
Talent Cultivation**

Issuing Organization
CEIBS Online

Yokogawa China Co., Ltd.
Dual Carbon Model Enterprise Award

Issuing Organization
syobserve.com

Yokogawa China Co., Ltd.
**Food and Beverage Engineering Annual Innovation
Product Award (FBE Award)**

Issuing Organization
2024 International Brew & Beverage Processing Technology
and Equipment Exhibition for China

Yokogawa China Co., Ltd.
2024 ESG Model Enterprise Award

Issuing Organization
syobserve.com

Yokogawa China Co., Ltd.

China Automation + Digitalization Top 50 Brands

Issuing Organization
www.gongkong.com

Yokogawa China Co., Ltd.
2024 Annual User Trusted Product - CENTUM VP
System

Issuing Organization
Chinese Association of Automation

Yokogawa China Co., Ltd.
2024 Annual Most Competitive Innovative Product -
CQ3000 High-Content Analysis System

Issuing Organization
Chinese Association of Automation

Yokogawa Sichuan Instrument Co., Ltd.
Successfully Named in the "2024 5G Factory Directory"

Issuing Organization
Ministry of Industry and Information Technology of the
People's Republic of China

Yokogawa China Co., Ltd.
2024 Annual Most Valuable Solution - VoF (Value of Factory) Solution

Issuing Organization
Chinese Association of Automation

Yokogawa China Co., Ltd.
2024 Annual Enterprise in China's Automation Field

Issuing Organization
Chinese Association of Automation

Yokogawa Sichuan Instrument Co., Ltd.
**Excellence Award of 2024 Chongqing QC Group
Achievement Release**

Issuing Organization
Chongqing Quality Control Association, Chongqing
Federation of Trade Unions, Chongqing Women's Federation

Yokogawa Sichuan Instrument Co., Ltd.
**Second Prize of 2024 Chongqing Beibei District QC
Group Achievement Release**

Issuing Organization

Chongqing Beibei District Administration for Market Regulation,
Chongqing Beibei District Federation of Trade Unions





YOKOGAWA in China

Business Overview

With the profound accumulation in the field of measurement and connection, YOKOGAWA China continues to collaborate with customers, integrating decades of expertise in measurement, control, and information technology into business practices. YOKOGAWA China is committed to responding to social challenges in a sustainable manner. To achieve these objectives, the industrial automation and control business focuses on three segments: "Energy & Sustainability", "Materials", and "Life", systematically advancing the implementation of solutions. Meanwhile, the measuring instruments business continues to provide essential support for industrial upgrading and technological innovation, contributing to a higher-quality and more resilient future.

Energy & Sustainability



Business Introduction

We support our customers in the safe and optimal utilization of the entire energy value chain, addressing the continuously expanding energy demand, and contributing to the realization of a low-carbon society. We also contribute to the entire water recycling chain.

Industries

- Renewable energy
- Oil and gas (upstream)
- Refining, petrochemicals (downstream)
- Power

- Energy management system (EMS)
- Energy storage
- Water and wastewater, industrial water

Materials



Business Introduction

By providing solutions that address customer challenges such as efficient energy use in the production process, recycling, and transition to raw materials with low environmental impact, we contribute to the development of a comfortable society and the realization of a new recycling-oriented society that coexists with the global environment.

Industries

- Specialty and fine chemicals
- Biochemicals
- Mining and metals
- Mobility

- Electrical machinery, electronics & semiconductors
- Iron and steel
- Pulp and paper
- Fibers and textiles

Life



Business Introduction

With the growth of the global population, food production and supply are expected to become more challenging. Demand for pharmaceuticals is also expanding rapidly. We contribute to the supply of high-quality pharmaceuticals that protect human life and health, and safe food that everyone can trust. Our mission is to support people's lives and promote businesses that protect health and safety.

Industries

- Pharmaceutical
- Healthcare
- Food and beverages

Measuring Instruments*



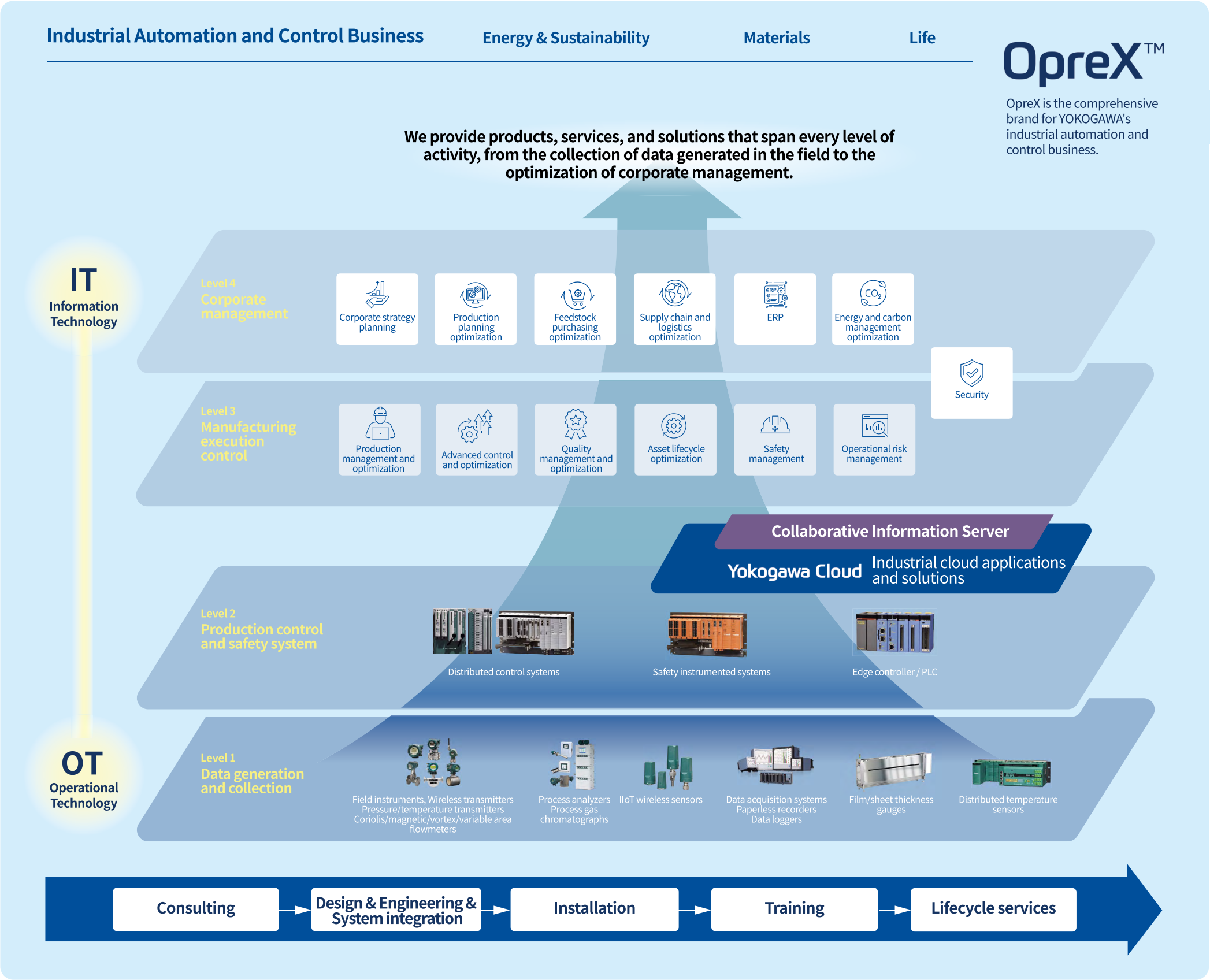
Business Introduction

We provide high-precision and unique measurement solutions such as electrical measurement including power measurement, optical measurement including measuring the wavelength and power of light, manometers and software-based measurement systems, which are beneficial to solving customers' problems such as improving energy efficiency of various devices, innovations for data communications, laying fiber optic cables, and plant maintenance.

Industries

- New energy power generation, automobiles, rail transit, home appliances
- Optical communications
- Healthcare

*Yokogawa Test & Measurement (Shanghai) Co., Ltd. is responsible for the operation of this business segment in China.



Life Business (Life science)



Confocal scanner unit



High-content analysis system



Subcellular sampling system

Measuring Instruments Business

Products of Yokogawa Test & Measurement (Shanghai) Co., Ltd.



ScopeCorders



Optical spectrum analyzers



Precision power analyzers

11

12



Company Profile

Yokogawa China Co., Ltd.

Founded in 1915 and headquartered in Tokyo, Japan, YOKOGAWA is a multinational corporation specializing in the industrial control sector, with 128 companies in 62 countries and regions. As one of the earlier foreign-funded enterprises to enter China, YOKOGAWA started business activities in China in 1957, established a representative office in 1965, and exported the first set of DCS (CENTUM) in 1979. In 2008, to expand the industrial automation business in China, YOKOGAWA integrated multiple affiliated companies to establish "Yokogawa China Co., Ltd." with headquarters in Shanghai. As the regional headquarters in China, Yokogawa China Co., Ltd. aims to adapt to the diversified demands of China's industrial automation market by strengthening functions in sales, technical support, engineering, R&D, and after-sales services. Yokogawa China Co., Ltd. integrates the technical resources of various branches in China, reinforces engineering team, and establishes a comprehensive and competitive engineering and technical service system capable of serving various industries.

In 2010, Yokogawa China Co., Ltd. established the wholly-owned subsidiary, Yokogawa Process Control (Shanghai) Co., Ltd., located in the China (Shanghai) Pilot Free Trade Zone. Building on the core businesses of Yokogawa China Co., Ltd., Yokogawa Process Control (Shanghai) Co., Ltd. fully leverages the preferential policies of the free trade zone to actively expand diversified trade models, including bonded processing trade, entrepôt trade, and other trade forms that meet market demands, thereby enhancing business flexibility and market competitiveness.

Other subsidiaries of YOKOGAWA in China covered in this Report

Yokogawa China Investment Co., Ltd.

As the holding company of YOKOGAWA in China, Yokogawa China Investment Co., Ltd. actively implements the SDGs and promotes green innovation strategies. The Company continues to explore emerging business fields by strengthening cooperation with the Chinese government and industry partners. In addition, integrated shared services such as auditing, legal affairs, and IT are provided to support the regional operations in China. Yokogawa China Investment Co., Ltd. is committed to achieving a dual mission: creating sustainable value for the Chinese market while driving long-term business growth.

Other factories of YOKOGAWA in China covered in this Report

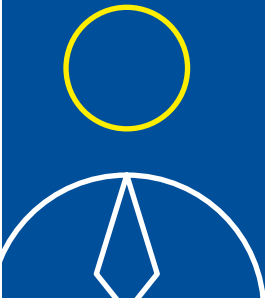
Yokogawa Sichuan Instrument Co., Ltd.

Yokogawa Sichuan Instrument Co., Ltd. was founded in 1995 with joint investments by Yokogawa Electric Corporation, Chongqing Chuanyi Automation Co., Ltd. and Yokogawa China Investment Co., Ltd.. Yokogawa Sichuan Instrument Co., Ltd. is one of the three global production bases for YOKOGAWA's EJA intelligent transmitters.

Corporate Culture

Founding Principles

- Quality first
- Pioneering spirit
- Contribution to society



The Yokogawa Philosophy

As a company, our goal is to contribute to the realization of a sustainable society through broad-ranging activities in the areas of measurement, control, and information.

Individually, we aim to combine good citizenship with the courage to innovate.



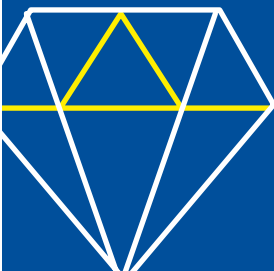
Yokogawa's Purpose

Utilizing our ability to measure and connect, we fulfill our responsibilities for the future of our planet.



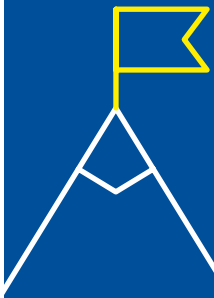
Core Values

- Respect
- Value Creation
- Collaboration
- Integrity
- Gratitude



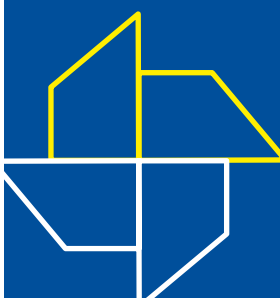
Corporate Vision Statement

Through autonomy and symbiosis, Yokogawa will create sustainable value and lead the way in solving global issues.



Sustainability Goals "Three Goals"

- Achieve net-zero emissions: stopping climate change
- Ensure well-being: quality life for all
- Make the transition to a circular economy: circulation of resources and efficiency



Sustainability Goals

Sustainability Management

Sustainability Management Structure

Integrating sustainability deeply into the governance system is the cornerstone for an enterprise to achieve long-term value creation and resilient operations. Yokogawa China Co., Ltd. and Yokogawa China Investment Co., Ltd., based on YOKOGAWA Group's global sustainability management framework and under the leadership of the CEO, have established the Yokogawa China Sustainability Committee, which is managed by the Management Meeting.

Members of the Sustainability Committee cover multiple core business functions of YOKOGAWA China, including compliance and governance, human resources management, supply chain management, marketing, products and solutions, R&D innovation, etc. These functions collaborate to support the YOKOGAWA China's sustainability strategy and promote the coordinated development of the enterprise in the three dimensions of economy, environment, and society.

Under the Sustainability Committee, the ESG Management Office is responsible for implementing the YOKOGAWA Group's sustainability strategy, ensuring a high degree of consistency in strategic direction, and undertaking the specific management and execution duties of local ESG affairs. The main responsibilities of the ESG Management Office include formulating local sustainability plans and implementation schemes, promoting the full implementation of relevant measures to effectively achieve sustainability goals; organizing and conducting discussions and materiality assessments of ESG material issues, preparing and disclosing ESG reports; coordinating communication and cooperation among internal departments and external stakeholders, monitoring the tracking and evaluation of ESG performance indicators, and promoting the implementation of environmental protection, social responsibility, and corporate governance-related policies, thereby enhancing YOKOGAWA China's ESG management level and transparency.



Sustainability Strategy

Based on the medium-term business plan "Growth for Sustainability 2028" (hereinafter referred to as "GS2028"), YOKOGAWA China continuously expands positive impact on the environment and society.

YOKOGAWA China thoroughly implements the sustainability goals set by the Group. By formulating a carbon neutrality strategy, identifying and analyzing ESG material issues, and setting ESG action indicators, YOKOGAWA China localizes the Group's sustainability goals in accordance with the conditions of the Chinese market.

YOKOGAWA Group has elaborated social vision for 2050 with Three Goals

- Achieving net-zero emissions: stopping climate change
- Ensuring well-being: quality life for all
- Make the transition to a circular economy: circulation of resources and efficiency

To translate this vision into measurable short-term achievements, YOKOGAWA Group has identified six contribution areas targeting 2030

- Achieving carbon neutrality
- Improving efficiency in society & industry
- Optimizing plant lifecycle & protecting environment
- Improving health & safety
- Creating a resource-recycling ecosystem
- Creating workplaces where people can fulfill their potential



Carbon neutrality implementation plan and strategy are developed based on the sustainability goals.

Responding to Climate Change P59

Sustainability indicators and targets are set based on the material issue analysis.

Materiality Analysis P21

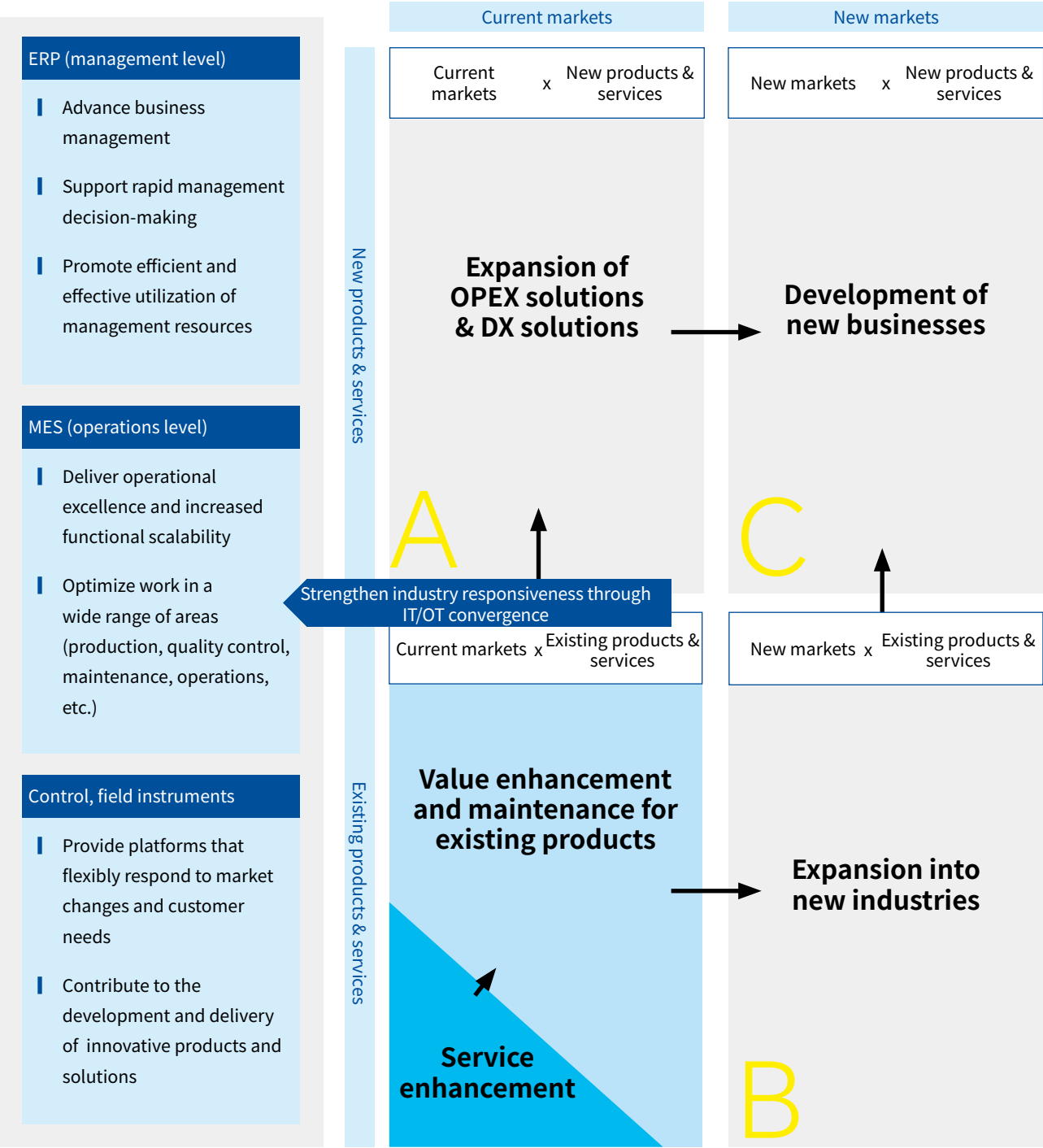
Activities are promoted based on the key areas of the business strategy in GS2028.

Focus Areas of Sustainability Transition P17

Focus Areas of Sustainability Transition

Against the backdrop of the long-term global emission reduction trend and customers' dual demands for both "high efficiency" and "stable production", YOKOGAWA China takes the GS2028 Business Strategy as the guideline, focusing on Energy & Sustainability, Materials, and Life as key sustainability transition areas to systematically advance business transformation.

To continuously strengthen the industry responsiveness to existing and new markets, products, and services, YOKOGAWA China's sales team, business consulting team, solution delivery team, customer response and full-life-cycle service team, product R&D team, and intelligent instrument business team have built a decision-to-execution closed-loop management system, systematically expanding industry-related businesses and promoting YOKOGAWA China's sustainability.



Focus Areas of the GS2028 Business Strategy



- Initiatives**
 - Expand value delivery for the renewable energy market
 - Support the utilization of clean energy (low-carbon hydrogen/low-carbon ammonia)
 - Provide the added value related to water resources (recycled water/PFAS)
- Social Impact**
 - China has proposed the strategic goals of achieving carbon peaking by 2030 and carbon neutrality by 2060, and is actively promoting the transformation of the energy structure from fossil energy to renewable energy.
 - YOKOGAWA China promptly adapts to changes in the business environment and market demand, actively responds to the business reforms and innovations in traditional industries such as the oil and gas, and power industries, and supports customers in achieving energy transition, promoting efficient utilization of energy, and facilitating the development of a sustainable society and environmental protection.
- Measures and Strategies**
 - Strengthen the overall solutions for the renewable energy/coal chemical industries and, through the development of new technologies, promote the application and promotion of solutions such as microgrid management and control, energy management and optimization, asset management, and equipment pre-maintenance in small and medium-sized enterprises; develop and optimize the relevant applications in emerging industries such as carbon reduction, green hydrogen and green ammonia, and energy storage.
 - Enhance the value-added portfolio sales of the whole-life cycle solution strategy for customers, and meanwhile, by promoting new solutions, improve the consultation services of digital solutions (e.g. SIRI and COSIRI) and promote new solutions including AHI, EEMS, APM, and MOM.
- Best Practices in 2024**
 - Reshaping Community Operations with Smart Energy Solutions to Lead a Low-Carbon Life
 - Enhancing Efficiency and Reducing Emissions in Nanning Waste-to-Energy Project with Automated Hydraulic Cleaning System
- Environmental Special Column P69

Focus Areas of the GS2028 Business Strategy

Materials



Initiatives

- Support the decarbonization of the materials industry (chemical/steel)
- Support the optimization of the mobility supply chain
- Support the supply and use of sustainable materials

Social Impact

- China has incorporated the Dual Carbon goals into the national strategy, and through policy guidance, promotes the green transformation of the supply chain and the decarbonization of high-energy-consuming industries such as chemical engineering and steel. The 14th Five-Year Plan for Industrial Green Development of the Ministry of Industry and Information Technology clearly requires an increase in the proportion of recycled materials used.
- With the strengths in control, measurement, and information solutions, YOKOGAWA China provides customers with energy optimization services. YOKOGAWA China also enters the chemical recycling industry through technology provision to support the green development of enterprises.

Measures and Strategies

- Assist industrial decarbonization through digital and automation technologies, and provide efficient energy-saving solutions for industries such as chemical engineering and steel.
- Strengthen local supply chain management, optimize low-carbon logistics, and promote the use of eco-friendly materials.
- YOKOGAWA China cooperates with Chinese enterprises to develop intelligent manufacturing and chemical raw material recycling technologies, supporting China's Dual Carbon goals, promoting the upgrading of the green industry, and achieving a win-win situation of economic and environmental benefits.

Best Practices in 2024

- Supporting the Sustainable Localized Production of Battery Raw Materials: Supplying DCS & SIS Control Systems for a US Factory

Environmental Special Column P73

Focus Areas of the GS2028 Business Strategy

Life



Initiatives

- Improve the productivity and quality of pharmaceuticals, food, and biomass
- Enhance the efficiency and quality of drug discovery & development

Social Impact

- The life business is highly consistent with the goals of improving the national health level and improving the quality and efficiency of medical care and pharmaceuticals in the national strategy of "Healthy China 2030".
- YOKOGAWA China is committed to improving the efficiency of the pharmaceutical development process through life science products, and ensuring the stability, high quality, and data traceability of the pharmaceutical manufacturing process. By making contributions in these areas, YOKOGAWA China supports the innovative development of China's pharmaceutical industry and the improvement of national medical accessibility from a technical level.

Measures and Strategies

- YOKOGAWA China adheres to the concept of "Healthy China" and further accelerates drug screening, drug R&D, smart factories, digitalization and sustainable development, providing sustainable value for Chinese society.

Best Practices in 2024

- Deciphering the Code of Life with Subcellular Precision: Mitochondrial Analysis Technology Empowering the Great Health Ecological Chain
- Cutting-Edge Technology Platform Empowering Pharmaceutical Innovation: Health Ecology Practice of Yokogawa-BioBAY Cooperation

Environmental Special Column P53

Sustainability Awareness and Capacity Building



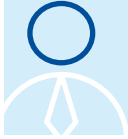
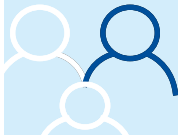
Poster for Yokogawa SDGs Month 2024

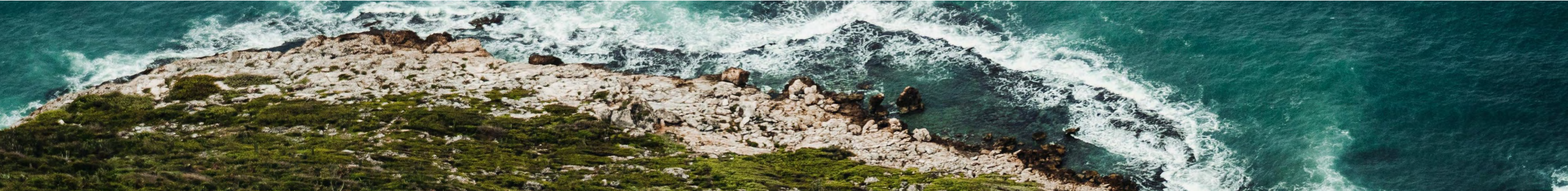
YOKOGAWA China closely focuses on the SDGs and actively carries out a diverse range of science popularization activities, including releasing sustainability promotional posters, videos, etc. YOKOGAWA China regularly publishes the *SDGs Bimonthly Newsletter*, which covers the popularization of ESG knowledge, updates on policies and regulations, and recommendations for related readings, helping employees keep abreast of the latest information.

To enhance sustainability capacity building, YOKOGAWA China actively organizes employees to participate in enterprise visits, industry exchanges, and various specialized training courses, comprehensively improving sustainability management level and promoting the steady development and continuous expansion of business.

Materiality Analysis

Stakeholder Communication

Stakeholders	Customers	Shareholders	Employees		Suppliers	Government and Industry Organizations	International Society and Local Communities
							
Concerns and Expectations	Cutting-edge products and solutions	Timely and appropriate information disclosure	Employee engagement		Fair and impartial trading relationships	Promotion of innovation to solve social issues	Contribution to the sustainability of the international society
	Information security and privacy protection	Active and continuous dialogue	Talent cultivation and capacity development		Promotion of supply chain sustainability	Building and strengthening networks through strategic cooperation	Protection of the global environment
Communication Mechanisms and Responses	Timely and efficient customer service	Feedback on operating conditions	Establishment of a comfortable working environment				Contribution to the local communities as a good citizen
			Respect for workers' rights				
	Gaining insights into customers' business pain points and provide consulting services by setting up showroom and holding user conferences	Board of Director Meeting	Employee engagement surveys		Supplier evaluation mechanism	Irregular meetings and exchanges with governments, parks, universities, and associations to understand the latest industry developments and explore new industry and business opportunities	Support for rural revitalization
	Developing and providing products and services utilizing cutting-edge technologies and DX	Business reporting lines based on matrix management	Online and offline professional skills training		Promotion of green procurement with less environmental burdens	Providing equipment and technical support for innovative technology research activities	Reduction of GHG and protection of water resources
	Establishing a global service structure		Corporate cultural activities such as team building and employee sports meetings				Cooperation with NGOs and NPOs
			Employees' congress mechanism				Community volunteer activities
							International standardization activities



Double Materiality Analysis

With reference to Chinese and foreign sustainability standards, based on YOKOGAWA's sustainability strategy, and fully considering the impact of our value chain, we identified 16 material issues from the perspective of social challenges faced by YOKOGAWA China, including 5 environmental issues, 8 social issues, and 3 governance issues. Furthermore, to accurately identify the "impact on society and the environment" and the "impact on the company's financial performance" of each issue, we conducted a double materiality analysis with reference to the European Sustainability Reporting Standards (ESRS), and established key ESG indicators for YOKOGAWA China based on the analysis results.

Process of Double Materiality Analysis

Understand the relationship between company activities and business background

1

By interpreting the company's value chain and Chinese and foreign sustainability standards, gain an understanding of the sustainability background of the company, and identify and understand the stakeholders affected.

Establish a list of issues

2

Combined with the actual situation of the company and communication with stakeholders, initially identify and screen relevant sustainability issues, and analyze the actual and potential impacts, risks, and opportunities related to sustainability issues.

Assessment and confirmation of materiality

3

Impact materiality assessment: Conduct stakeholder communication through questionnaires, evaluate from the two dimensions of "severity of impact" (impact scale, scope, irreparability) and "likelihood of impact", and sort the impact materiality with reference to internal and external expert opinions.

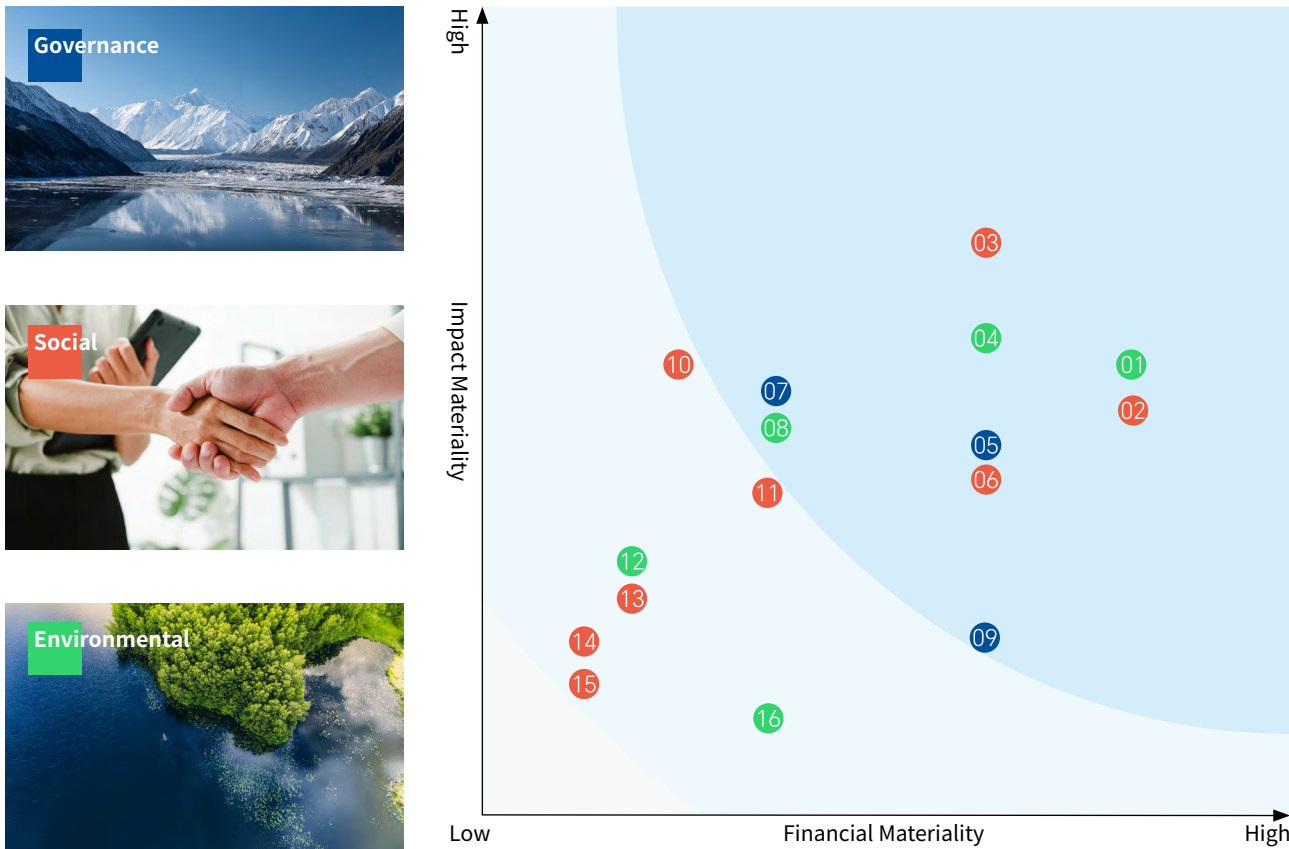
Financial materiality assessment: Conduct communication with senior executives and financial personnel of the company through interviews, evaluate from the two dimensions of "likelihood of impact occurrence" and "degree of financial impact", and sort the financial materiality with reference to internal and external expert opinions.

Summary of double materiality results: Integrate the assessment results of impact materiality and financial materiality to form a double materiality matrix, and define the boundaries of material issues.

Reporting

4

After review and confirmation by the company's management, set key management indicators for the currently highly material issues and disclose them prominently in the report.



High	01	Climate change	06	Secure employment
	02	Training and skills development	07	IT security
	03	Product & solution innovation	08	Circular economy
	04	Energy use	09	Business ethics and integrity
	05	Corporate culture		
Moderate	10	Occupational health and safety	14	Industry development
	11	Supply chain management	15	Community engagement and philanthropy
	12	Water management	16	Pollution and waste management
	13	Diversity, equity, and inclusion (DE&I)		



Target and Progress of Material Issues

High Materiality	Indicator	FY 2024 Annual Target	FY 2024 Annual Performance
Climate Change 	GHG emissions (Scope 1, 2) (base year: 2019)	100% reduction	Achieved carbon neutrality for Scope 1 and 2 GHG emissions
	Proportion of renewable electricity	100%	100%
Training and Skills Development 	Employee training coverage rate	90%	100%
	Average training hours per employee	42	70.5
	Talent development for new industries and products	Enhance employees' capabilities to meet YOKOGAWA China's future business needs (skills, etc.)	
Product & Solution Innovation 	Product liability incidents (products/services requiring improvement in health and safety impacts)	0	0
	Incidents of non-compliance with regulations and/or voluntary codes regarding health and safety impacts of products and services	0	0
	Proportion of sales involved in product incidents:		
	Direct quality loss	≤ 0.1%	< 0.01%
	Service Note loss	≤ 0.1%	< 0.01%
	Indirect quality loss	≤ 0.1%	< 0.02%
	Proportion of R&D investment	Continuously strengthen R&D and innovation efforts	

High Materiality	Indicator	FY 2024 Annual Target	FY 2024 Annual Performance
Secure Employment 	Employee engagement for well-being improvement	93.00%	93.65%*
	Proportion of women in managerial positions	21.20%	22.00%
	Employment rate of persons with disabilities	Actively carry out activities to employ persons with disabilities	
	Hours reduced based on business automation	2,000	5,144
Corporate Culture 	All-Hands Meeting	3	3
IT Security 	Number of data security incidents	≤ 1	0
	Financial loss caused by data security incidents	0	0
Circular Economy 	Indicators related to sustainable materials	To be determined during 2025	
Business Ethics and Integrity 	Number of anti-commercial bribery and anti-corruption training sessions	1	1

*Survey conducted by WTW (Willis Towers Watson)



Social: Value Co-Creation

- 29 Strengthening Talent Cultivation
- 34 Building a Healthy Workplace Together
- 41 Quality Assurance
- 44 Driving Sustainable Innovation
- 48 Promoting Industry Development
- 52 Pooling Community Strengths
- 53 Social Special Column



Value co-creation stems from the synergy of talents, the workplace, innovation, and the community. We care for our employees, safeguard their dignity, and support their growth. We attach importance to R&D and innovation, continuously providing customers with customized and innovative solutions. We are committed to opening up standards, sharing experiences, and driving progress across our industry. By uniting community strength and responding to societal needs, we collaborate with diverse partners to more effectively fulfill our corporate citizenship mission, truly achieving the harmonious development between enterprises and employees, as well as between enterprises and society.

Strengthening Talent Cultivation

Employees are our most valuable asset. Guided by our commitment to rights protection and capability development, we ensure dignified work through ethical employment practices, unlock potential with equitable compensation and diverse advancement opportunities, and provide continuous empowerment via a digital training system. By optimizing talent management and strengthening cultivation initiatives, we enable every employee to achieve a more fulfilling and valuable life.

Talent Strategy

We believe that human capital is the key to YOKOGAWA's growth and the source for co-creating new value. In response to the evolving business landscape surrounding our customers, YOKOGAWA initiated the Global HR Transformation Project in fiscal year 2021 to globally identify and address customer challenges and achieve "Yokogawa's Purpose" through value creation.

YOKOGAWA China aligns talent management with two key Group strategic objectives: "our business strategies and corporate growth" and "employee well-being and engagement". Through stakeholder consensus, we drive sustainable talent development.

YOKOGAWA's Human Resource Strategy

Defining the ideal human resources portfolio based on the business strategy, and analyzing the gaps with the current situation; developing and swiftly acquiring the human capital necessary for each business strategy, and globally optimizing human resources to contribute to the achievement of our business strategies.



Promoting reforms so that employees have a mindset toward autonomous career development, learning independently, taking on challenges on their own, and co-creating value.



Cultivating a DE&I organization culture, strengthening organization collaboration through global alignment between organizations, and using our unified global team to improve corporate value.



Compliant Employment and Remuneration Policies

Employees are the core driving force in the company's operations. In strict compliance with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and other applicable laws and regulations, YOKOGAWA China has established a series of rules and policies including the *Employee Handbook*, the *HRM Policy* and the *Award and Punishment Policy*. These documents form a standardized and structured framework for employment and compensation management.

Through the following measures, YOKOGAWA China fulfills compliance commitments regarding employment and compensation, creating a safe, fair, and transparent working and compensation environment for employees, thereby ensuring the long-term sustainable operations.

Employment Management



- Annual *Personnel Plan*: Systematically forecast and approve the recruitment needs for the next year.
- Standardized recruitment process: All hiring activities for regular employees, dispatched employees, and interns are conducted through standardized procedures, ensuring a balanced focus on recruitment efficiency, quality, and legal risk management.
- Employee information protection: During the interview stage, candidates are required to sign the *Letter of Authorization-Personal Information Processing -Job Applicant*; Upon onboarding, the *Applicant and Employee Personal Information Protection Policy & Consent Authorization* is signed, ensuring comprehensive personal data security throughout the entire process.
- Continuous improvement: Policy documents are updated in a timely manner according to the latest laws and regulations and business needs, achieving ongoing optimization of the recruitment process.
- Standardized labor dispute resolution procedure: In the event of a labor dispute, a joint response is initiated by the Legal, HR, and relevant business departments. The legal department leads fact-finding and negotiations to seek a settlement; if unsuccessful, the case is escalated and handled in accordance with national and local laws, regulations, and internal policies to protect the legitimate rights and interests of both employees and the company.

Remuneration Management



- Under the guidelines of the Group's global remuneration policy, YOKOGAWA China benchmarks the remuneration trends in the Chinese market, and creates a remuneration management system that is highly consistent with the business strategy by continuously optimizing the remuneration structure and level.**
- Fair compensation setting: Compensation levels are determined based on job responsibilities and grades, and are regularly benchmarked against market level to ensure sufficient external competitiveness.
 - Timely and full payment: The policy of "same-month payroll" is implemented, ensuring salaries are paid within the month; During the reporting period, there were no records of overdue payment, effectively safeguarding the legitimate rights and interests of employees.
 - Full participation in social insurance: In accordance with the law, "five social insurances and one housing fund" (pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, and housing provident fund) are provided for all active employees on a monthly basis and in full, ensuring continuity, no underpayment, no interruption, and no selective participation.



Respect for Human Rights

We adhere to international norms such as the *Universal Declaration of Human Rights*, the *International Covenants on Human Rights* (including the *International Covenant on Civil and Political Rights* and the *International Covenant on Economic, Social and Cultural Rights*), and the International Labour Organization's *Declaration on Fundamental Principles and Rights at Work*. We fully implement the Group's human rights policy and ensure that the dignity of every employee is respected and protected through continuous actions, jointly building a healthy and sustainable workplace ecosystem. During the reporting period, there were no incidents of employee discrimination.

Focus Areas of Human Rights	Initiatives
Ensuring occupational health and safety	Committed to ensuring the safety and health of employees and providing them with a fulfilling and comfortable working environment
Prohibiting discrimination and harassment	- Prohibiting any form of discrimination against persons on the basis of race, skin color, age, sex, gender identity and expression, sexual orientation, religion, belief, political opinion, nationality, ethnicity, place of origin, disability, family relations, or any other circumstances - Intolerant of any harassment that undermines dignity
Prohibiting child labor/forced labor	- Prohibiting forced labor, slavery, and trafficking - Prohibiting young employees from engaging in hazardous work
Respecting the rights of foreign/migrant employees	Respecting the human rights of foreign employees and migrant employees
Freedom of association and respect for the right to collective bargaining	- Respecting employees' freedom of association and the right to collective bargaining - Engaging in ongoing dialogue with employees in order to ensure a better work environment for our employee
Preventing low wages and long working hours	- Paying remuneration that exceeds the minimum wage and living wage - Appropriately managing employees' working hours to promote their lives and health
Protecting employees' privacy and personal information	- Measures for protecting personal information cover all stages from interviews to onboarding - When conducting business activities, due consideration is given to employees' privacy and the protection of their personal information

Talent Development

100%
Employee training coverage rate

70.5 hours
Training hours per employee

To implement the strategic focus on sustainability, "Creating a workplace where people can fulfill their potential", the Group has developed an integrated human resources system that combines performance evaluation, talent management, and training management, making coordinated efforts in both career promotion and talent cultivation. Relying on the abundant resources of the YOKOGAWA Group, YOKOGAWA China continues to encourage employees to think about their growth paths in a self-driven manner, take the initiative to learn and innovate continuously, and drive the company's growth while realizing their personal values. Through systematic capability improvement and diversified development pathways, YOKOGAWA China supports employees become future-oriented talents who can gain insight into trends and lead changes, enabling every employee to release their maximum potential. During the reporting period, the training coverage rate of employees in YOKOGAWA China reached 100%, with an average training duration of 70.5 hours per employee.

Career Promotion

YOKOGAWA China adopts "dual-pathway, globalization, and standardization" as the core principles to build a career promotion path that takes both management and professionalism into account, providing employees with a clear and sustainable career growth plan.

Career Promotion System of YOKOGAWA China

Dual-Pathway Development



Management track: Focusing on organizational management and team development, with promotions requiring management responsibilities in a wider scope.

Expert track: Focusing on specialized field authority and knowledge inheritance, with promotions based on technical depth or achievements in business practice.

Global Job Grade



Globally unified decision factors (Hay's Three-Factor Evaluation Method):

Complexity of job responsibilities

Scope of decision-making influence

Depth of knowledge and innovation requirements

Job Management Mechanism



Globally unified job description: Clarifying the job purpose, core responsibilities, and qualification requirements.

Localized supplements: Adding specific responsibilities and skill requirements according to regional business characteristics to ensure both global consistency and regional adaptability.

Talent Cultivation

500+
Total courses in "Endless On Y-Way"

YOKOGAWA China closely centers on business needs and is committed to building a talent development system that is deeply synergistic with the strategy, providing customized training courses and development plans for employees at different career stages based on business transformation, digital transformation, and leadership upgrading, and building a talent echelon through diversified methods to help improve core capabilities and professional qualities, promoting the continuous and high-quality development of the company.



"Endless On Y-Way" Digital Learning Platform

YOKOGAWA China has launched a series of training programs targeting high-potential talents, new managers, new employees, and all members. Among them, the General Competency Star Training Camp covers employees at all levels, with 26 general competency courses designed to enhance core capabilities such as strategic thinking and business insight. The new employee orientation program is committed to achieving the goal of rapid integration through 13 tasks of automated closed-loop training. The Growth Training Camp for New Managers adopts a blended learning approach to help new managers accelerate the role transition from general staff to managerial roles.

Since its launch in 2021, "Endless On Y-Way", the local learning platform of YOKOGAWA China, has continuously served as a Chinese-language supplement and extension platform of the Group's talent training system. The platform sets up four columns and more than ten course sections, and a series of seminars. In 2024, through digital upgrading, it realized the seamless integration of global and local resources, further consolidating the global talent development network. During the reporting period, the total number of courses on "Endless On Y-Way" exceeded 500, providing diversified, mobile, and sustainable learning support for employees at all levels.

During the reporting period, Yokogawa China Co., Ltd. was awarded the "Outstanding Employer Award" by 51job, a leading human resource service company in China. This award recognizes YOKOGAWA China's outstanding contributions to human resource management.

Yokogawa China Co., Ltd. was also honored with the "TOP 20 Excellence Award for Future Management Talent Development" by CEIBS Online, attributed to the forward-looking talent development system and ongoing digital innovation practices. This recognition highlights the industry-leading achievements in building future-oriented leadership, empowering employees for sustainable growth, and enhancing organizational resilience through digital transformation.



2024 Outstanding Employer Award



2024 TOP 20 Excellence Award for Future Management Talent Cultivation

Building a Healthy Workplace Together

At YOKOGAWA China, we base our culture on DE&I, with a strong focus on employee well-being and occupational health and safety. We are committed to protecting the legal rights of every employee, creating a fair environment where everyone can work with peace of mind and grow healthily, and working together to build a fair and healthy workplace.



Cross-Cultural Integration Activities

DE&I

YOKOGAWA China deeply integrates the concept of DE&I into daily operations. We follow the Group's DE&I statement, care for every employee in need with an equal and inclusive attitude, and work together to create a warm and harmonious workplace environment.

In daily operations, YOKOGAWA China fully implements the Group's statement on DE&I, including: YOKOGAWA values diversity and is committed to creating an inclusive and equitable corporate culture, recognizing individual differences and making every effort to respect employees' personal working styles. YOKOGAWA treats people of different races, nationalities, genders, religions, ages, social statuses, and those with physical or intellectual disabilities equally. In recruitment, training, and promotion, YOKOGAWA focuses on talents with different experiences, knowledge, ways of thinking, perspectives, cultural backgrounds, and values. YOKOGAWA actively utilizes digital technology to realize flexible working styles, communicates and collaborates based on mutual respect, and promotes value co-creation with customers, partners, and suppliers.

To further advance DE&I, YOKOGAWA China provides support for female employees with maternity and childcare needs, cross-cultural personnel, and individuals with disabilities. The specific measures are as follows: Nursing rooms have been set up in all office locations to support female employees during maternity and breastfeeding. A multilingual collaboration mechanism in Chinese, Japanese, and English has been implemented, and cultural integration activities are regularly organized. External cross-cultural training opportunities are provided for Japanese expatriates, and cross-cultural inclusivity practices are advanced. Barrier-Free Access has been established in the "In-Space China" showroom to accommodate employees with disabilities.



Nursing Room



Barrier-Free Access in "In-Space China" Showroom

Employee Benefits and Care

YOKOGAWA China continues to improve employee well-being and provides all employees with benefits, including social insurance, welfare leave, holiday benefits, various allowances, cultural and sports activities, and career care (including farewell parties for retirees). These initiatives actively enrich employees' cultural life, effectively enhance employees' sense of identity and belonging to the corporate culture, and strengthen the cohesion between employees and the enterprise.

Health Security

All active employees



- Employee commercial medical insurance (covering 1 dependent)
- Annual physical examination

Holiday Benefits

All active employees



- Parental leave, marriage leave, pre-natal leave, pregnancy check-up leave, maternity leave, paternity leave, breastfeeding leave, funeral leave, sick leave, statutory annual leave, welfare annual leave, summer leave, etc.
- Holiday benefits on statutory festivals such as the Spring Festival and Mid-Autumn Festival
- Christmas parties
- Annual parties
- Birthday gifts for employees

Allowances

All active employees



- Relocation allowance, remote allowance, frontier work allowance, summer high-temperature allowance, transportation and meal allowance

Team Building

All active employees



- Annual office travel
- Yokogawa Festival & Yokogawa Sports Meeting

Career Care

All active employees



- Retirement farewell parties



Introduction

Sustainability Goals

Social: Value Co-Creation

Environmental: Ecological Responsibility

Governance: Cornerstone of Accountability

Appendix



Annual Office Travel



Yokogawa Festival



Sports Meeting



Retirement Farewell Party



African Drum Team Building

YOKOGAWA China continues to pay attention to employees' mental health and is committed to implementing the Employee Assistance Program (EAP). This includes psychological counseling, mental health promotion, and psychological training, providing support and care to all employees. During the reporting period, 23 counseling sessions were provided to employees in need. Additionally, 12 issues of the Monthly Magazine-Happiness were distributed, sharing mental health information with all employees. Furthermore, two themed psychological training sessions were organized with professional psychologists to enhance team mental health resilience.



Monthly Magazine-Happiness



EAP



Mental Health Day



YOKOGAWA China Held Themed Psychological Training, Effectively Relieving Employees' Mental Stress

In 2024, YOKOGAWA China focused on emotional management and parent-child mental health by organizing two high-quality online psychological training sessions. The first session, titled "Psychological Nutrition: The Spiritual Nourishment for Children's Growth," was delivered by a U.S. certified psychological counselor and attracted 126 employees. The second session, "Why Zebras Don't Get Ulcers," was led by a nationally certified Level-2 psychological counselor, with 121 employees participating.

YOKOGAWA China has established a diversified employee communication and feedback mechanism to ensure that every employee can easily express their demands and safeguard their legitimate rights and interests. Online, the enterprise WeChat, email, and internal announcement system are utilized to promptly deliver important notices, activities, training, and other information to ensure zero-delay in information transmission. Offline, the company-wide townhall meetings and regular departmental meetings are held to provide channels for employees to speak out, encouraging them to express their views and listen to their feedback. YOKOGAWA China has also established a labor union and provides annual funds to support employees in holding exchange activities, continuously stimulating organizational vitality and employee participation, and jointly creating an open, healthy, and mutually trusting corporate culture.

Exchange Activities Providing Employees with Communication Opportunities



2024 "Know-How & Project Closeout Report" Selection and Award Ceremony

In May 2024, the Customer Lifecycle Value Delivery Division held the "Know-How & Project Closeout Report" selection and award ceremony. The event effectively motivated employees to enhance project delivery quality and improve their technical skills, while also providing an opportunity for in-depth communication and experience sharing between new and veteran employees.



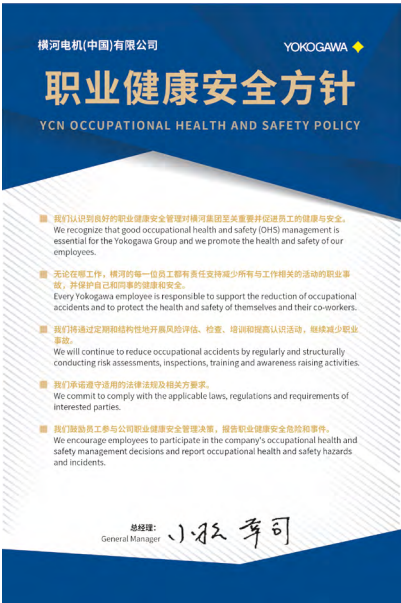
Occupational Health and Safety

100%

Occupational health and safety management system employee coverage rate

0

The number of safety incidents



Occupational Health and Safety Policy

As a key component of the "Improving health & safety" contribution area within our sustainability strategy, Yokogawa China Co., Ltd. has set two medium to long term goals: maintaining the Total Recordable Incident Rate ≤ 0.40 and achieving Lost Time Incident Rate = 0. By establishing an occupational health and safety management system and implementing forward-looking risk management, we continuously strengthen employees' awareness of health and safety, safeguard the physical and mental health of every employee, and collectively work toward building an incident-free sustainable future.

To improve the level of occupational health and safety management and provide employees with a safe and secure workplace, Yokogawa China Co., Ltd. has developed the *Occupational Health and Safety Management System Manual* in accordance with relevant national regulations and ISO 45001:2008 *Occupational Health and Safety Management Systems-Requirements with Guidance for Use*. Yokogawa China Co., Ltd. has also formulated five occupational health and safety policies and issued a series of procedural documents such as *Hazard Identification and Risk Assessment Management Procedure*, *Personal Protective Equipment Management Procedure*, *Work on Client Site HSE Management Procedure*, *Fire and Electric Safety Management Procedure*, and *Measures for the Administration of Radiation Workers' Work*. These measures are designed to standardize the operation and production process, build a comprehensive occupational health and safety management system, and create a safe and healthy working environment for employees.

Yokogawa China Co., Ltd. has established a comprehensive procedure for hazard identification and risk assessment, which effectively manages occupational health and safety risks through hazard identification, risk evaluation, and risk control. Yokogawa China Co., Ltd. emphasizes the cultivation of employee awareness in occupational health and safety by conducting various promotional and training activities. These include the QHSE Month (Quality, Health, Safety and Environment Month) themed activities, the dedicated HSE training section on the "Endless On Y-Way" platform, and the organization of first-aid training for employees. Yokogawa China Co., Ltd. actively practices the concept of win-win cooperation and launched the Regional Shared Service project to assist other Group companies in China in establishing and continuously optimizing their occupational health and safety management systems.

During the reporting period, both Yokogawa China Co., Ltd. and Yokogawa Sichuan Instrument Co., Ltd. obtained ISO 45001 occupational health and safety management system certification.



ISO 45001 Occupational Health and Safety Management System Certification

Specific Activities
of QHSE Month

- Posting themed posters inside the company to strengthen publicity
- Mobilizing all employees to participate in online QHSE knowledge quiz to improve their awareness
- Organizing fire evacuation drills to enhance risk prevention awareness



QHSE Month Poster



Fire Evacuation Drill

Employees of YOKOGAWA China Participated in Red Cross First Aid Training and Mastered First Aid Skills



Red Cross First Aid Training

On May 28, 2024, YOKOGAWA China organized employees to participate in the primary first aid training jointly held by the Tianshan Sub-district of Changning District and the Red Cross, with a total of 21 employees participating. Through the training, participants mastered the Heimlich first-aid method, cardiopulmonary resuscitation skills, fracture fixation and bandaging techniques, and the use of AED proficiently. All participating employees successfully obtained certificates issued by the Shanghai Red Cross Affairs Center.

Employee
Engagement

93.65

Employee engagement score

Employee engagement is a key indicator for measuring organizational health and sustainable competitiveness, directly linked to production efficiency, innovation momentum, and customer value creation. YOKOGAWA China conducts engagement survey annually, collecting authentic feedback from employees through electronic questionnaires to ensure objective and transparent data. In 2024, YOKOGAWA China conducted an engagement pulse survey, with an overall score of 93.65.

The engagement pulse survey revealed that 98% of employees highly recognize YOKOGAWA China's goals and mission and can maintain high energy throughout the workday; 96% of employees believe that YOKOGAWA China fulfills commitment to quality in daily operations. Approximately 90% of employees agreed that the current work processes are efficient, without any substantial obstacles, and they also feel that they are not affected by work pressure.

In the future, YOKOGAWA China will take the survey results as a baseline, further improve employee satisfaction by streamlining and optimizing work processes, strengthening employees' time and pressure management capabilities, and tracking improvement effects, aiming to create a healthier and more sustainable workplace environment.

HSE Training Section was Established on the "Endless On Y-Way" Platform to Enhance All Employees' Health and Safety Awareness

YOKOGAWA China has launched a dedicated HSE training section on the online learning platform "Endless On Y-Way". At present, 17 courses related to occupational health and safety were uploaded to this section, and 4 employee training sessions were successfully carried out in the form of live broadcasts.



如果灾害来袭—全民安全公开课
★★★★★ 4.8



生命重于泰山
★★★★★ 4.9



预防滑倒绊倒摔倒培训--FY25
★★★★★ 4.9



HSE社规培训一
★★★★★ 5.0



HSE Knowledge Training FY24
★★★★★ 4.8



HSE社规培训二
★★★★★ 4.9



FY23 HSE风险评估
★★★★★ 4.8



HSE必修-环境因素、危险源辨识及...
★★★★★ 4.7

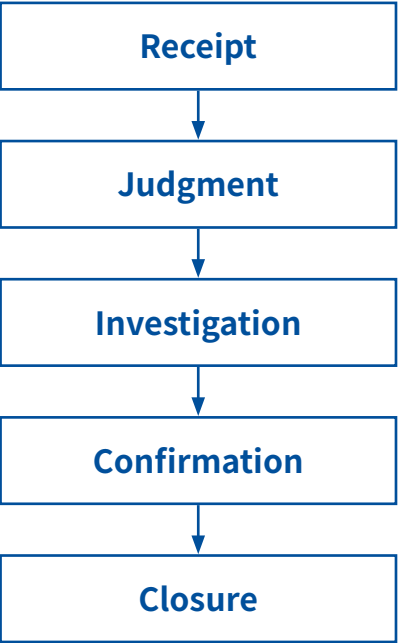
HSE Training Section on "Endless On Y-Way" Platform





Quality Assurance

Quality Management



Yokogawa China Co., Ltd. maintains strict control over the quality of products and services and adheres to the concept of serving customers wholeheartedly. We actively adopt the Group's management concepts and methods, continuously improve the quality management model of products and services, strengthen quality review and quality culture promotion, and continuously focus on customer needs, striving to provide high-quality products and services.

Yokogawa China Co., Ltd. strictly adheres to the management standards, quality manual, and quality management regulations of the YOKOGAWA Group. In accordance with the "Quality First" policy, *Basic Rules for Quality Management*, *Processing Flow for Service Notes*, and *Complaint Handling Process* have been developed. Centering on the entire product life cycle, Yokogawa China Co., Ltd. has established sound after-sales service, customer complaint and product recall procedures, continuously improving operational quality to provide customers with satisfactory products and services.

To ensure that quality management is in line with the Group's strategy while addressing local realities, Yokogawa China Co., Ltd. has established annual quality objectives, which are updated on a rolling basis every year. Product quality evaluation and service satisfaction surveys are incorporated, with surveys conducted twice a year to promptly and comprehensively monitor the implementation progress of each department. During the reporting period, the delivery team, sales team, R&D team, etc., successfully achieved the targets.

To ensure the orderly development of quality management activities, Yokogawa China Co., Ltd. has established a Quality Committee, with department heads serving as responsible persons and one or more quality execution members assigned to each department, forming a robust quality management organizational structure. During the reporting period, Yokogawa China Co., Ltd. was committed to sorting out the relevant workflows of each department and promoting standardization, to further improve the compliance of quality management.

To further improve the efficiency of quality management, Yokogawa China Co., Ltd. fully leverages technical strength to develop multiple business systems, including inquiry and quotation, contract review, logistics management, as well as robotic process automation programs, strengthening the digital management of various quality processes, and ensuring the timeliness and effectiveness of responses to customers.

During the reporting period, Yokogawa China Co., Ltd. and its subsidiaries have obtained the ISO 9001 quality management system certification; no product quality and safety liability incidents occurred in Yokogawa China Co., Ltd. and its subsidiaries.



Quality Policy of Yokogawa China Co., Ltd.



ISO 9001 Quality Management System Certification



Quality Review

Yokogawa China Co., Ltd. upholds a strong quality awareness and continuously implements multi-dimensional product quality review measures targeting various stakeholders, including internal and external parties and suppliers, actively optimizing quality improvement processes. Furthermore, with the aim of promoting sustainable improvement, YOKOGAWA Group conducts an annual business maturity survey and sets a Group target of increasing the maturity score by 5% compared to the previous year. Yokogawa China Co., Ltd. fully cooperates with the Group's maturity survey, actively sets quality improvement targets, and contributes to corporate sustainability under the Group's high standards.

Quality Review Measures

Management Review

All departments

- Each department evaluates the impact of internal and external environments on the company through SWOT analysis
- During the management review process, report the evaluation results to the leadership
- The leadership provides feedback and suggestions on quality to further improve and optimize management processes

Internal Review

All departments

- Review cycle: once a year
- Conduct internal audits on all departments to improve product quality and services
- Arrange additional audits for quality issues to ensure that the quality of products and solutions meets the requirements of the PDCA (Plan-Do-Check-Act) cycle

External Review

QHSE system

- Review cycle: twice a year
- Ensure the suitability, adequacy, and effectiveness of the QHSE system, and continuously improve it

On-Site Audit

Key suppliers

- Cooperate with the procurement team to evaluate the onboarding standards of key suppliers to ensure they meet quality requirements

Quality Culture Promotion

YOKOGAWA Group has been continually holding Quality Month activities, aiming to enhance employees' attention to quality. Yokogawa China Co., Ltd. upholds the same values as the Group, conveys the Group's sustainable philosophy to employees while jointly promotes the construction of a quality culture and provides employees with professional certification training to improve their professionalism and skills in quality management.

Yokogawa China Co., Ltd. Held QHSE Month Activities, Conveying Importance of Quality, Occupational Health & Safety and Environmental Protection



QHSE Month Poster

In November 2024, Yokogawa China Co., Ltd. held QHSE Month activities with various forms, including a themed poster competition with the winning entry displayed internally; inviting all employees to participate in online QHSE knowledge quiz to promote professional knowledge.

Yokogawa China Co., Ltd. Held Internal Auditor Training to Enhance Employees' Quality and Safety Expertise



Internal Auditor Training

In 2024, to enhance employees' awareness of the QHSE system, Yokogawa China Co., Ltd. organized internal auditor training, covering three management certification systems: ISO 9001, ISO 14001, and ISO 45001. A total of 25 employees participated in this training, and all participants successfully obtained internal auditor qualification certificates.

Customer Satisfaction Survey

Yokogawa China Co., Ltd. respects customer needs and is committed to maintaining customer satisfaction. As part of the quality objectives, it is explicitly required that two customer satisfaction surveys be conducted per year by each department. Any reasonable dissatisfaction is promptly addressed with corrective actions to ensure an improved customer experience. During the reporting period, functions responsible for customer project delivery, digital solutions, sales management, and product solutions successfully conducted satisfaction surveys in accordance with standards and further refined the work processes based on the survey results.

Driving Sustainable Innovation

With R&D and innovation as the core engine, YOKOGAWA China focuses on product and service development, builds a skilled innovation team, continuously enhances the R&D system, and cooperates with multiple parties to provide customers with customized innovative solutions. This approach not only improves customer satisfaction but also stimulates innovation vitality and drives sustainable innovation.

R&D Governance

YOKOGAWA Group's technical R&D activities are divided into two primary areas: commercialized product and solution development, and forward-looking strategic technology R&D. The Chief Technology Officer (CTO) Office of the YOKOGAWA Group and its subordinate Technology Committee are responsible for the approval and implementation of various R&D projects. Yokogawa Beijing Development Center is the main R&D and innovation organization of the YOKOGAWA Group in China and an important component of the YOKOGAWA Group's global R&D system.

Yokogawa China Co., Ltd. adheres to the YOKOGAWA Group's principle of "Global Vision, Local Service". Relying on the Group's comprehensive and efficient global R&D and innovation system, Yokogawa China Co., Ltd. continuously enhances the core competitiveness by increasing investment in R&D activities of products, solutions, and cutting-edge technologies, thereby assisting customers in achieving their sustainable development goals.

R&D Strategy

Based on the YOKOGAWA Group's corporate philosophy of "contributing to the realization of a sustainable society through broad-ranging activities in the areas of measurement, control, and information", we leverage the technological strengths to continuously strengthen technical R&D, organize innovation exchange activities, and provide customers with customized solutions and services. We not only advance our own sustainable development but also empower customers to achieve energy conservation, emission reduction, cost optimization, and operational efficiency improvements.

Focus Areas of Innovative R&D

Continuously participate in the development of global products and solutions of the YOKOGAWA Group

Increase localized R&D activities to provide customers with customized products, solutions, and services

For leading domestic industries, such as renewable energy and power batteries, utilize the YOKOGAWA Group's technological strengths in measurement and control to provide targeted products and solutions

Strengthen technical R&D in AI, robotics, cloud computing, AR, etc., expand the scale of local R&D team, and make full use of local talent pool to respond to the needs of local customers

Carry out open innovation activities, improve R&D capabilities by expanding industry-university-research cooperation, and promote technical exchanges between China and Japan, including intellectual property



R&D System

Adhering to the founding principle of "Quality First", Yokogawa China Co., Ltd. has established a distinctive R&D system that integrates YOKOGAWA Group's design standards, ISO 9000 standards, and the practical realities of local R&D in China. To accommodate different types of development projects, Yokogawa China Co., Ltd. employs various development processes, such as Water Fall, Agile, RUP, etc.

Moving forward, Yokogawa China Co., Ltd. is dedicated to developing localized products and solutions, and aims to gradually establish a tailored product development model by combining YOKOGAWA's product R&D practices and local product development characteristics. During the reporting period, Yokogawa China Co., Ltd. has launched pilot initiatives of Integrated Product Development.

R&D Achievements

Backed by solid R&D capabilities, Yokogawa China Co., Ltd. focuses on global product development, local products and solutions, cutting-edge technology research, as well as net-zero emissions and the circular economy. By addressing customer needs, and overcoming technical challenges, it provides a powerful innovative driving force for the realization of the YOKOGAWA Group's IA2IA* strategy.

*IA2IA: Industrial Automation to Industrial Autonomy

[For details, please visit the website](#)

YOKOGAWA Global Product Development

As a major force in the global product development of the YOKOGAWA Group, Yokogawa China Co., Ltd. has been undertaking the development of Group's core products. Yokogawa China Co., Ltd. has contributed to the development of YOKOGAWA's core products, such as data acquisition systems, gas/liquid analyzers, IIoT sensors, industrial wireless systems, and Yokogawa Cloud Platform. By developing new products and enhancing the functions of existing products, Yokogawa China Co., Ltd. achieves the goals of precise measurement, stable control, process visibility, and informed decision-making, thereby reducing waste across entire workflows, optimizing processes, and injecting momentum for sustainable development.

In the future, Yokogawa China Co., Ltd. will continue to focus on product development, integrating more innovative technological elements to support the realization of YOKOGAWA Group's IA2IA strategy.

Release of Local Products and Solutions

Yokogawa China Co., Ltd. has customized a DX integrated platform, the Manufacturing Operations Management (MOM) platform, specifically for local customers. The MOM platform is a digital platform based on cloud-native architecture, mainly providing standard business management functions such as Manufacturing Execution System (MES), Asset Management System (AMS), Quality Management System (QMS), and Warehouse Management System (WMS). It facilitates the integration of onsite operations and breaks down data silos, enabling comprehensive and streamlined management.

In the future, the MOM platform will deliver solutions powered by cutting-edge technologies, including big data analytics, artificial intelligence (AI), and robot integration, according to customer needs. Through the open interfaces provided by the platform, it will realize organic integration with third-party systems and build a technology and product ecosystem based on the MOM platform. Currently, version 1.0 of the platform has been officially released.

Cutting-Edge Technology Research

To further advance the YOKOGAWA Group's IA2IA strategy, in the field of AI, Yokogawa China Co., Ltd. makes full use of advantages in China and explores the integration of technologies such as machine vision, machine learning, deep learning, and large language models with YOKOGAWA's products and businesses on the basis of traditional data analytics. In particular, for robotics applications in manufacturing, Yokogawa China Co., Ltd. has developed the Robot Management Core (RMC) product to realize the interconnection between robots and control systems, sensors, and actuators.

Currently, China's robot industry has reached the world-leading level. Yokogawa China Co., Ltd. actively collaborates with leading domestic robotics enterprises to enable the interconnection between RMC and domestic robots. In the future, robots will replace on-site operators to perform inspection, emergency rescue, and other tasks according to the instructions of the control system.

Net-Zero Emissions and Circular Economy

Yokogawa China Co., Ltd., in collaboration with the YOKOGAWA Group company KBC Advanced Technologies plc, leverages KBC's expertise in process optimization to launch a carbon management platform for tracking and managing carbon footprints across the entire value chain. The management scope of this platform covers the whole range from Scope 1 to Scope 3, providing customers with effective solutions for energy conservation and emission reduction.

Yokogawa China Co., Ltd. has insight into industry development trends and foresees that the rapid growth of the new energy vehicle industry will bring new challenges in the disposal of retired power batteries. To address this, Yokogawa China Co., Ltd. closely cooperates with the R&D department of YOKOGAWA headquarters in Japan, committed to the R&D of battery recycling and echelon utilization technologies and product innovation, to promote the efficient recycling of resources and contribute to promoting sustainability.

Innovation Empowerment

Scientific and technological innovation talent is one of the core driving forces for enterprises to explore cutting-edge technologies. Yokogawa China Co., Ltd. is committed to cultivating high-quality talent in these fields. Since the establishment of the Yokogawa Beijing Development Center in 2000, Yokogawa China Co., Ltd. has built a R&D team of 60 highly educated professionals, among whom more than half hold doctoral or master's degrees. To attract and retain top talent, Yokogawa China Co., Ltd. offers a market-competitive salary system and incentive policies to ensure that outstanding talents receive fair rewards. Yokogawa China Co., Ltd. also has a reward and recognition mechanism to honor individuals and teams that have made outstanding contributions in innovation and project promotion.

In terms of training, Yokogawa China Co., Ltd. provides R&D personnel with extensive internal and external training resources. Relying on the YOKOGAWA Group's education and training platform, internal training covers multiple fields such as software and hardware product development, production processes, engineering methods, cutting-edge technologies, and other general skills; external cooperation, through collaboration with third-party training platforms and institutions, has provided R&D personnel with nearly 10,000 training opportunities related to new technologies such as AI.

YOKOGAWA China focuses on cultivating innovative talents in multiple fields and interdisciplinary areas, continuously building an innovative talent team and enhancing the innovation strength by organizing employees to participate in SIRI assessor certification, COSIRI assessor certification, ISO 1406X GHG verifier certification, and carrying out functional safety engineer certification training for internal and external personnel.

Employees of Yokogawa China Co., Ltd. Obtained SIRI Assessor Certification to Continuously Strengthen Digital Transformation Service Capabilities

Yokogawa China Co., Ltd. is committed to continuously expanding the SIRI (Smart Industry Readiness Index) certified assessors team. By the end of the reporting period, 22 employees had obtained SIRI assessor certification qualifications. In the future, YOKOGAWA China will continue to use the rich knowledge in the OT field, consulting experience and IT capabilities, combined with the comprehensive framework and tools provided by SIRI certification, to provide customers with smart manufacturing and one-stop digital transformation consulting, solution implementation and services, and become a trustworthy partner for customers in smart manufacturing and digital transformation.

Employee of Yokogawa China Co., Ltd. Obtained Official COSIRI Certification, Empowering Corporate Sustainability Transformation Consulting Services

In 2024, a senior engineer from Customer Lifecycle Value Delivery Division of Yokogawa China Co., Ltd. successfully obtained the official certification of COSIRI (Consumer Sustainability Industry Readiness Index), becoming the first COSIRI-certified assessor at Yokogawa China Co., Ltd.. This achievement demonstrates that Yokogawa China Co., Ltd. has both effective tools and professional capabilities in sustainability transformation consulting services.

YOKOGAWA China Conducted ISO 1406X Series Internal Verifier Certification Training to Expand Talent Reserve for Dual Carbon

To improve employees' professional capabilities in the Dual Carbon field, YOKOGAWA China focuses on organizing ISO 1406X (GHG series standards) internal verifier certification training. During the reporting period, a total of 25 employees obtained ISO 14064-1:2018 GHG internal verifier certification; 3 employees passed ISO 14067:2018 product carbon footprint internal verifier certification; and 6 employees passed ISO 14068-1:2023 carbon neutrality internal verifier certification. By the end of the reporting period, more than 30 employees at YOKOGAWA China had obtained 1406X series certifications.

Yokogawa China Co., Ltd. Regularly Conducts TÜV Rheinland Functional Safety Engineer Certification Training to Promote Engineering Talent Development

Yokogawa China Co., Ltd. is committed to promoting the development of engineering talents through regular TÜV Rheinland functional safety engineer certification training. Adhering to the principle of being responsible to customers, Yokogawa China Co., Ltd. strictly implements the global unified functional safety management standards of the YOKOGAWA Group to ensure the delivery quality of safety systems, thereby ensuring the safety of customers, society, and the environment.

Yokogawa China Co., Ltd. has one of the few TÜV-certified experts in China and has made a series of forward-looking attempts and efforts in the field of functional safety. In 2023, Yokogawa China Co., Ltd. joined hands with TÜV Rheinland to successfully introduce functional safety engineer training into China, with an all-Chinese training model for the first time. In daily work, Yokogawa China Co., Ltd. continuously imparts safety concepts and knowledge in the field of functional safety to employees and customers, which has been widely recognized by the industry, making remarkable contributions to the development of functional safety in China.

Promoting Industry Development

As a leading enterprise in the industry, YOKOGAWA China is committed to promoting internal and external exchanges and cooperation within the industry, leveraging the advantages of all parties, creating incremental value for each other, and advancing together on the path of technological innovation.

Industry Exchanges

YOKOGAWA China is dedicated to building and strengthening the Yokogawa China Ecosystem and actively exploring paths for open innovation. During the reporting period, centering on the three goals of net-zero emissions, circular economy, and well-being, YOKOGAWA China participated in industry summits including the World Manufacturing Convention, Global Digital Trade Expo, China Shanghai International Battery Industry Fair, and Sensors Summit, showcasing YOKOGAWA China's products and solutions, injecting new vitality into the development of the industry.

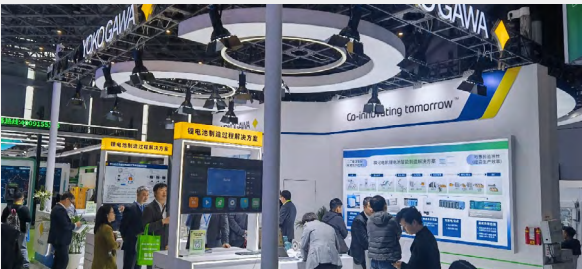
YOKOGAWA China actively promotes industry sustainability collaboration. The 2024 Sustainability Forum was hosted in Hangzhou with the theme "Digital Intelligence Empowering a Green Future," during which the Zhejiang Regional Development Strategy was announced. In Xi'an, the 2025 Sustainability Forum was organized under the theme "Digital Intelligence Driving a Win-Win Future," where in-depth, face-to-face exchanges were conducted with technical organizations, partners, and both new and long-standing customers in the western region, thereby laying a solid foundation for continued cooperation in the future.



2024 World Manufacturing Convention



The 3rd Global Digital Trade Expo



2024 China Shanghai International Battery Industry Fair



2024 Sensors Summit



2024 Hangzhou Sustainability Seminar



2025 Xi'an Sustainability Forum

Honored with Four Awards at China Automation Industry Annual Conference, Demonstrating Industry-Leading Innovation Capability

Yokogawa China Co., Ltd., recognized for the excellent product quality and pioneering R&D capabilities, won four awards at the 2024 China Automation Industry Annual Conference: 2024 China Automation Industry Annual Enterprise, 2024 Annual User Trusted Product-CENTUM VP System, 2024 Annual Most Valuable Solution-VoF (Value of Factory) Solution, and 2024 Annual Most Competitive Innovative Product-CQ3000 High-Content Analysis System, highlighting YOKOGAWA China's outstanding value in promoting the high-quality development of the manufacturing industry.

Among them, the VoF solution, utilizes innovative data collection and application system combined with data visualization and AI analysis functions, to support customers achieve key goals such as factory energy visualization, zero emissions in the production environment, zero work safety accidents, and predictive maintenance of equipment, meeting the core needs of discrete manufacturing enterprises in the process of intelligent manufacturing transformation. Particularly in YOKOGAWA China's strategic focus areas such as lithium battery manufacturing and semiconductor equipment, the VoF solution has significantly improved operational efficiency, reduced energy consumption, and enabled comprehensive ESG performance enhancement for many leading enterprises.



Four Major Awards Won at the China Automation Industry Annual Conference

Industry Cooperation

In the era where technological innovation leads enterprise development, YOKOGAWA China combines the advantages of Japanese enterprises in fundamental technology research and development with the strengths of Chinese enterprises in commercial application development and market expansion, exploring the complementarity and cooperation potential of both parties in technological innovation.

YOKOGAWA China Co-Hosted 2024 Ricoh Innovation Competition, Actively Promoting Open Innovation

As a co-host, YOKOGAWA China participated in the 4th Ricoh Innovation Competition, themed "Gathering Wisdom, Aiding Innovation". The competition focuses on four key areas: advanced equipment, advanced sensing technology, digital AI, and new materials. Japanese enterprises open up their core technologies and recruit Chinese partners to engage in-depth cooperation through forms including joint technology research and development, technology authorization, market expansion, and capital cooperation. The competition serves as a high-quality cooperation platform for Chinese and Japanese enterprises, facilitating the in-depth integration of technological innovation and industry.

In this competition, YOKOGAWA China showcased two advanced technologies: wireless sensor Sushi Sensor and optical fiber temperature measurement DTSX, and received multiple business cooperation proposals. Participating enterprises, combining their own products with YOKOGAWA's technologies, put forward a number of business cooperation schemes, providing reliable ideas for commercialization.

In the future, taking this competition as a new starting point, YOKOGAWA China will further deepen cooperation with all award winners and other partners, leveraging the strengths of all parties to achieve resource sharing and value co-creation. We are committed to advancing hand in hand with our partners in the pursuit of technological innovation, contributing to the promotion of deeper cooperation and mutual development between Chinese and Japanese companies in the field of science and technology industry.



The 4th Ricoh Innovation Competition

University-Enterprise Cooperation

YOKOGAWA China always adheres to the principle of open cooperation and mutual development, actively promoting technological progress of China's industry-university-research integration. Since the late 1970s, President Shozo Yokogawa has collaborated with Xi'an Jiaotong University (XJTU), assisting in establishing the "Instrumentation and Control Specialization" program, and donating teaching equipment to the university. This laid a solid foundation for the faculty training cooperation between Keio University in Japan and XJTU.

In recent years, both parties have continued to uphold the spirit of cooperation, deepened technical exchanges and academic interactions, and actively explored new paths for university-enterprise cooperation. Through diversified models such as joint research, collaborative education, and open talent cooperation, we jointly drive future-oriented innovations and practical solutions.

Deepening University-Enterprise Cooperation to Jointly Cultivate Automation Talents

In July 2025, more than 200 teachers and students from the School of Automation Science and Engineering of XJTU visited Yokogawa China Co., Ltd. Xi'an Branch and carried out a meaningful visit and internship.

The activity was divided into two sessions. First, the teachers and students gained an in-depth understanding of YOKOGAWA's development history through a lecture, followed by an in-depth explanation from a senior engineer on the automation system architecture and cutting-edge solutions. During the tour session, engineers introduced the working principles and application scenarios of equipment in detail, enabling the students to gain a more intuitive understanding of theoretical knowledge.

Since the late 1970s, Yokogawa China Co., Ltd. has maintained close cooperation with XJTU to jointly promote the development of scientific research and education. To further deepen cooperation, the parties signed the *University-Enterprise Cooperation Memorandum on Student Internship* in March 2025, specifying that Yokogawa China Co., Ltd. Xi'an Branch accepts undergraduate interns from XJTU every year, building a bridge between theory and practice.

The internship activity not only provides valuable corporate practice opportunities for teachers and students of XJTU, but also injects new vitality into the in-depth cooperation between Yokogawa China Co., Ltd. Xi'an Branch and universities. We believe that with the joint efforts of the parties, university-enterprise cooperation will reach a new height, contributing to the cultivation of more high-quality automation talents and achieving mutual benefits for schools, enterprises, and students.



Pooling Community Strengths

YOKOGAWA China actively fulfills the corporate social responsibility, with the core philosophy of "Contributing to Society, Co-creating Value", focusing on three key areas: education support, disability assistance and poverty alleviation, and rural revitalization. YOKOGAWA China conveys the warmth of the enterprise through targeted public welfare activities. Committed to building mutually beneficial community ecosystems, YOKOGAWA China steadfastly honors the role as a responsible corporate citizen.

Looking forward to the future, to continuously deepen social value creation and consolidate commitments, YOKOGAWA China continues to drive the sustainability of community prosperity and social progress through systematic measures such as optimizing the education support system, expanding the coverage of disability assistance and poverty alleviation programs, and exploring innovative rural revitalization models.

Education Support

Yokogawa China Co., Ltd. actively promotes educational equity and fulfills the commitment of the SDGs of "Quality Education". To address the insufficient basic learning resources for students in remote areas and support them in improving their learning abilities, Yokogawa China Co., Ltd. established a partnership with the Homework Book Charity Foundation in 2024 and implemented a targeted learning supplies donation project to Boarding Central Primary School in Duohemao Township, Qinghai Province. This project provided 286 second and third-grade students of the school with customized schoolbags, watches, and matching pendants.

Disability Assistance and Poverty Alleviation

Yokogawa China Co., Ltd. carries out close cooperation with the China Foundation for Disabled Persons and conducts in-depth research on the actual needs of people with disabilities. At the beginning of 2024, Yokogawa China Co., Ltd. launched the "New Year New Clothes" public welfare activity, targeting to help underprivileged individuals with disabilities, disabled artists, disabled children, and disabled workers. By uniformly purchasing cold-proof jackets, the activity effectively guaranteed the winter warmth needs of 145 recipients. It not only conveyed the positive social value of "supporting persons with disabilities and fostering mutual assistance", but also contributed to building a more inclusive and supportive social environment for people with disabilities.

Rural Revitalization

YOKOGAWA China actively responds to the national rural revitalization strategy and regards supporting rural development as an important part of our ESG strategy. Yokogawa China Co., Ltd. is planning to carry out a systematic assistance project in the Yunnan region. With the core concept of "targeted assistance + long-term cooperation", Yokogawa China Co., Ltd. will focus on educational assistance and consumption-based support for agriculture, aiming to contribute to the sustainable development of the Yunnan region.

Yokogawa China Co., Ltd. encourages employees to participate in consumption-based assistance by purchasing local characteristic agricultural products. This initiative directly promotes the growth of local industries and increases farmers' income, contributing to the establishment and solidification of sustainable rural revitalization models.

Deciphering the Code of Life with Subcellular Precision: Mitochondrial Analysis Technology Empowering the Great Health Ecological Chain

Special
Column

Yokogawa China Co., Ltd. has carried out cooperation with the Tsinghua Shenzhen International Graduate School, focusing on the application of single-cell/subcellular high-content sampling systems for mitochondrial imaging and subcellular analysis. This cooperation not only advances technological breakthroughs in "proactive health" but also injects innovative impetus into the improvement of the national health level at the cellular level.

This technology provides key cutting-edge scientific research support for the "Great Health" strategy. It can accurately analyze the dynamic mechanisms of mitochondria in core life activities such as metabolic regulation and cell aging, and effectively promote pathological research on major chronic diseases such as diabetes, neurodegenerative diseases, and cardiovascular diseases. The cooperation outcomes will accelerate the discovery of new diagnostic markers and the development of targeted therapy strategies, laying a scientific foundation for early disease intervention and personalized health management, while significantly enhance China's research capabilities at the subcellular scale.

The cooperation between Yokogawa China Co., Ltd. and Tsinghua Shenzhen International Graduate School not only reflects the in-depth integration of cutting-edge industrial equipment and frontier life sciences but also expands the boundaries of health at the cellular level through its outcomes, providing a solid underlying technical support for the goal of "Healthy China 2030".

Promoting research on chronic disease mechanisms

Mitochondrial dysfunction is associated with multiple aging-related diseases. High-precision imaging technology helps identify early subcellular changes, providing new directions for research on disease prevention.

Exploring pathways for precision health management

Analysis models based on single-cell mitochondrial data may provide references for personalized health assessment, assisting in shifting medical models toward a focus on disease prevention.

Facilitating technological development in the health industry

The technology is expected to drive the development of high-precision diagnostic tools and provide a new research platform for the development of anti-aging products and targeted drugs.



YOKOGAWA High-Content Analysis System

Cutting-Edge Technology Platform Empowering Pharmaceutical Innovation: Health Ecology Practice of Yokogawa-BioBAY Cooperation

Special Column

Yokogawa China Co., Ltd. has established in-depth cooperation with Suzhou Biomedical Industrial Park (BioBAY), building a shared technology platform with the high-content analysis system CQ1 as the core to provide key R&D infrastructure for innovative pharmaceutical companies in the industrial park. Focusing on three major fields: organoid model construction, tumor-targeted drug screening, and neurodegenerative disease mechanism research, the platform significantly improves the efficiency and reliability of drug development through automated microscopic imaging and subcellular quantitative analysis capabilities.

The cooperation between Yokogawa China Co., Ltd. and BioBAY, on the one hand, reduces the threshold for start-ups to use advanced equipment through a standardized platform, shortens the drug screening cycle by more than 30% (based on industry-measured data), and accelerates the entry of therapies into the clinical stage; on the other hand, enterprises in the industrial park promote collaborative innovation in the development of interdisciplinary therapies for tumor-neuro diseases by sharing high-precision data sets.

The cooperation between the parties reduces the risk of new drug development by optimizing the quality of preclinical research, indirectly alleviating the medical burden on patients; promotes the formation of a closed-loop industrial chain of "precision equipment services-biomedical R&D-translational production" in the Yangtze River Delta; and ultimately builds an industrial solution for the goal of "tackling major diseases" for Healthy China. This paradigm of in-depth integration of industrial technology and biomedicine not only enhances the global competitiveness of China's biomedical industry but also injects sustainable momentum into public health from the source of R&D.



Group Photo of Yokogawa-BioBAY Cooperation Establishment

Environmental: Ecological Responsibility

- 59 Responding to Climate Change
- 63 Controlling Environmental Management Strictly
- 67 Optimizing Resource Circulation
- 69 Environmental Special Column



YOKOGAWA China deeply integrates environmental protection and sustainability into the corporate strategy and operational practices. With a scientific management system, clear goal paths, and systematic practical measures, we continue to make efforts in areas such as responding to climate change, controlling environmental management strictly, and optimizing resource recycling. We are committed to contributing to the construction of a sustainable society through technological innovation and responsible actions.

Responding to Climate Change

In the critical global process of responding to climate change and moving towards sustainability, carbon neutrality becomes a core strategic direction for enterprises to fulfill their social responsibilities and lead industry transformation. YOKOGAWA China always deeply integrates the concept of low-carbon development into the corporate strategy and operational practices. By building a systematic governance structure, formulating scientific emission reduction paths, implementing diversified emission reduction measures, and cultivating a sustainable culture, YOKOGAWA China comprehensively promotes the achievement of carbon neutrality goals. YOKOGAWA China is committed to contributing to the construction of a sustainable future of harmonious coexistence between humanity and nature while responding to national strategies and leading the low-carbon transformation of the industry.

Carbon Neutrality Policy and Strategic Management

Yokogawa China Co., Ltd. solemnly promises to play an active role in the path towards carbon neutrality. We are well aware of the significant challenges that climate change poses to our business, society, and the environment. Therefore, we are determined to take practical actions to achieve the goal of carbon neutrality and contribute to a sustainable future. To ensure the effective implementation of the carbon neutrality policy, Yokogawa China Co., Ltd. carries out climate change-related governance through a three-level management system, forming a closed-loop management model of "decision-execution-support". Yokogawa China Co., Ltd. formulates multiple policy documents, such as the *Regulations on Carbon Emission Management*, to provide standardized guidelines for carbon emission management work.

Carbon Neutrality Policy



Actively respond to national strategies, promote zero-carbon future plans; Fulfill brand social responsibilities, and lead the industry's low-carbon development.

Carbon Emission Management Structure	
Decision-Making Level The highest responsible person for the company's sustainable management	Fully responsible for the company's carbon emission management work, and formulate carbon emission management policies and medium to long term goals.
Execution Level The competent department for carbon emission management	Formulate annual goals and plans for carbon emission management. Carry out the company's carbon emission management work and report to the highest responsible person for the company's sustainable management.
Support Level Relevant departments	Implement carbon emission management work in accordance with the relevant requirements of the competent department. Ensure the quality of data submission and the building of personnel capabilities to support the achievement of carbon neutrality goals.

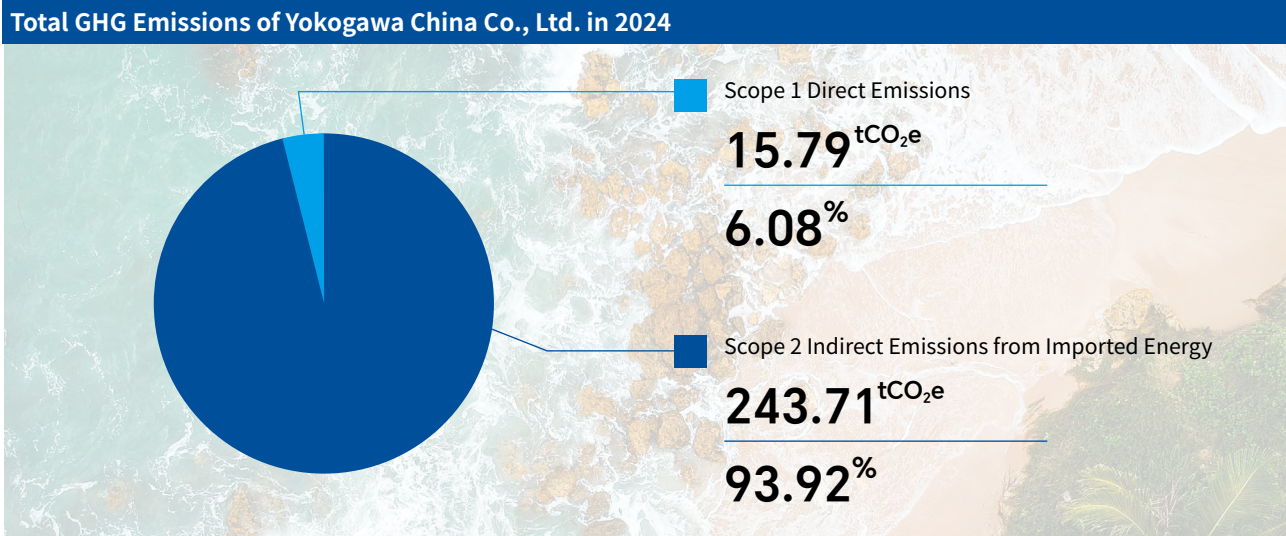
Carbon Emission Reduction Targets

To formulate scientific and rigorous carbon reduction targets, Yokogawa China Co., Ltd.* takes the year 2019 as the base year to calculate the baseline emissions (location-based and market-based). Based on this, Yokogawa China Co., Ltd. has set phased emission reduction targets, planning to achieve operational carbon neutrality by 2024. Beyond this milestone, we will continue to improve and promote broader and deeper emission reduction initiatives. This target not only conforms to the global and domestic low-carbon development trends but also is feasible in terms of technology and economy. In the future, Yokogawa China Co., Ltd. will promote the introduction and efficient utilization of renewable energy, resource recycling management, reduction of environmental pollutants, and strengthen the protection of the natural environment in business operations, ultimately achieving a win-win situation of sustainability and corporate identity enhancement, and enhancing the confidence of society and investors.

Achieving Carbon Neutrality

Yokogawa China Co., Ltd. actively carried out carbon inventory to lay a data foundation for energy conservation, emission reduction, and the achievement of carbon neutrality goals. Yokogawa China Co., Ltd. established a GHG inventory team, which adopts the operational control approach to systematically coordinate data collection within the organizational boundary and conducts the inventory in strict compliance with ISO 14064-1:2018 standard. The inventory scope covers direct GHG emissions (Scope 1) and indirect emissions from imported energy (Scope 2) within the organizational boundary.

Through active emission reduction measures, after calculation and third-party verification, the total emissions of Scope 1 and Scope 2 within the above verification scope of Yokogawa China Co., Ltd. in 2024 were 259.50 tCO₂e. Compared with the baseline emission of 416.33 tCO₂e in 2019, the cumulative emission reduction was 37.7%. Furthermore, Yokogawa China Co., Ltd. reduced 243.71 tCO₂e by purchasing green certificates and by purchasing and retirement of 15.79 tCO₂e (market-based) in 2024, achieving carbon neutrality in operation and obtaining ISO 14064-1:2018 and ISO 14068-1:2023 certifications.



* In this report, the scope of organizations for carbon inventory and verification of YOKOGAWA China specifically refers to Yokogawa China Co., Ltd. Shanghai Headquarters, Yokogawa China Co., Ltd. Beijing Branch, Yokogawa China Co., Ltd. Xi'an Branch, Yokogawa China Co., Ltd. Chengdu Branch, Yokogawa China Co., Ltd. Guangzhou Branch, Yokogawa China Co., Ltd. Huizhou Branch, Yokogawa China Co., Ltd. Xinjiang Branch, Yokogawa China Co., Ltd. Chongqing Branch, and Yokogawa Process Control (Shanghai) Co., Ltd.



ISO 14064-1:2018

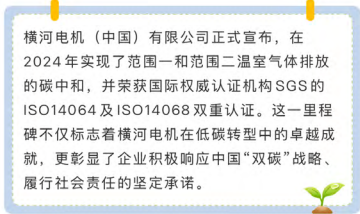
The achievements of carbon neutrality certification have been communicated to all employees. Practical experiences in the field of sustainable development have been shared through multiple channels, including the Yokogawa China SDGs Portal and the official WeChat account "横河电机中国".

We are well aware that achieving carbon neutrality for Scope 1 and Scope 2 is not an end, but the start of a new journey. Going forward, we will leverage technological innovation and collaborate with customers, partners, and all sectors of society to drive down Scope 3 emissions and promote low-carbon practices across the entire life cycle. We believe that only through collective action can we build a beautiful, green, and low-carbon future.



ISO 14068-1:2023

横河电机中国 2025年04月28日 18:04 北京
1人 星标



WeChat Post on Carbon Neutrality Practices



Carbon Neutrality Poster

Initiatives to Reduce Carbon Emissions

Vehicle Electrification



Yokogawa China Co., Ltd. has implemented the following carbon emission reduction measures

Phasing out fuel-powered vehicles and replacing them with electric and hybrid vehicles to achieve breakthroughs in reducing emissions from mobile sources.

Energy Efficiency Improvement



Upgrading to energy-efficient lighting systems and implementing a one-hour lights-off policy during lunch breaks.

Green Office



Displaying energy-saving reminders (e.g., "Turn off lights when you leave," "Switch off AC when you leave") to raise employee awareness of voluntary emission reduction.

Green Electricity Procurement

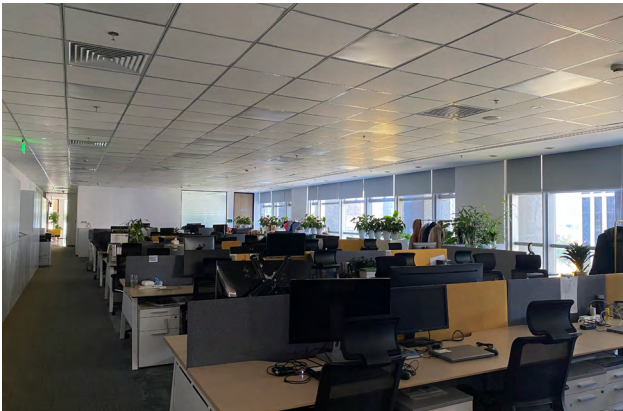


Purchasing Green Electricity Certificate (GEC) equivalent to the consumption of purchased electricity.

Carbon Offsetting



Fully neutralizing remaining GHG emissions by acquiring carbon credits such as China Certified Emission Reduction (CCER).



Office Lights Off for One Hour during Lunch Breaks



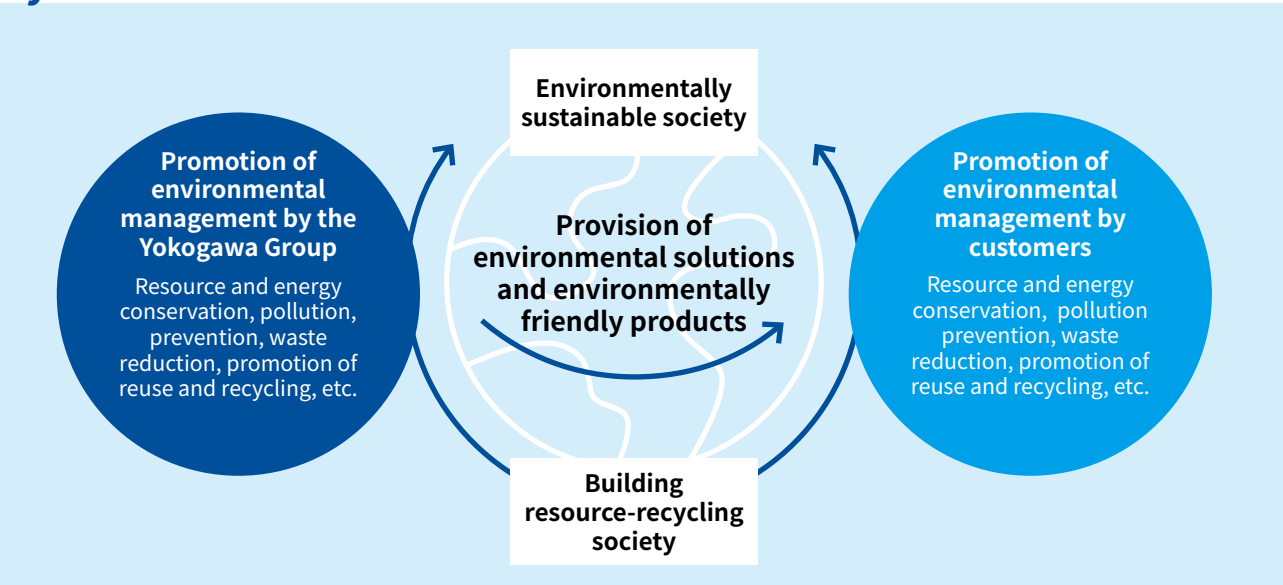
Switching to Energy-Efficient Lighting

Controlling Environmental Management Strictly

YOKOGAWA China places high priority on environmental protection, systematically advancing eco-initiatives to achieve the sustainability goals by 2050. All subsidiaries under the Group are guided by clear environment policies, establishing a robust environmental management system, setting science-based strategic targets and implementation pathways, conducting environmental factor identification and assessment, handling waste gases, wastewater, general solid waste, and hazardous waste in compliance with laws and regulations, and strictly controlling pollutant emissions, thereby demonstrating the commitment to social and environmental responsibility through concrete actions.

Environmental Management System

In line with YOKOGAWA's corporate philosophy "contribute to the realization of a sustainable society through broad-ranging activities in the areas of measurement, control, and information", we actively promote environmental preservation activities to achieve our Three Goals for 2050.



Environment Policy

We will take the initiative in climate change, biodiversity and resource circulation issues and will endeavor to conserve the environment for building a sustainable society in line with the YOKOGAWA Group corporate philosophy.

As a good practice, we will provide sustainable solution services, recognizing it as one of our major missions to our customers.

To realize our sustainability targets, we will promote introducing renewable energy and efficient use of energy, resource-circulating management through ecodesign and recycling, minimizing the use of environmental pollutants, and natural environment conservation in our business operations, complying with laws and regulations.



YOKOGAWA China strictly complies with relevant laws and regulations and actively advances environmental initiatives to ensure all operational activities meet green standards. Yokogawa China Co., Ltd. has established internal policy documents including the *Environmental Management System Manual*, *Environmental Factor Identification and Assessment Management Procedure*, and *Solid Waste Environmental Disposal Procedure*. We maintain a continuously improved environmental management system, consistently maintain ISO 14001 certification, and conduct systematic environmental management practices accordingly.



ISO 14001 Environmental Management System Certification

Yokogawa China Co., Ltd. has set strategic targets for key environmental dimensions including GHG emissions, energy consumption, water consumption, waste discharge, and paper usage. We are committed to fully achieving our objectives while continually optimizing our environmental and carbon management systems.

Yokogawa Sichuan Instrument Co., Ltd. has established environmental goals requiring that water, electricity, and gas consumption ratios remain lower than the production growth rate. Yokogawa Sichuan Instrument Co., Ltd. advocates real-time monitoring and recording of relevant data, with prompt response to anomalies. Additionally, energy-saving measures are actively implemented to reduce consumption. In 2024, three key environmental initiatives were identified: upgrading exhaust gas treatment systems, promoting smart lighting controls in production areas to conserve energy, and implementing energy consumption data monitoring to support future improvements.

Environmental Risk Control

Environmental Factor Identification

In environmental management, Yokogawa China Co., Ltd. strictly implements the *Environmental Factor Identification and Evaluation Management Procedure*, conducting regular environmental factor assessments across broad scopes including atmospheric emissions, water discharges, land contamination, natural resource and energy usage, energy release, waste gas disposal, and spatial utilization. In addition, Yokogawa China Co., Ltd. evaluates environmental impacts from suppliers and contractors while also addressing environmental factors throughout the full product life cycle. In the management process, environmental factors are classified into normal, abnormal, and emergency states to clarify their environmental impacts across past, present, and future scenarios.

Environmental Factor Classification and Control

After identifying environmental factors, Yokogawa China Co., Ltd. employs either the direct judgment method or the multi-factor scoring method for evaluation. Based on the results, these factors are categorized as general or significant for differentiated management. For general environmental factors, existing control measures are maintained with continuous monitoring; for significant environmental factors, multiple enhanced management measures are further implemented based on the existing ones, including the elimination and substitution of environmental factors, the application of engineering and technical means, the improvement of management procedures and policies, the strengthening of supervision and inspection, and the provision of training to raise environmental protection awareness.

Environmental Emergency Plan Management and Drills

Yokogawa Sichuan Instrument Co., Ltd. has established the *Emergency Plan for Environmental Incidents*, which is evaluated and revised every three years. In 2024, Yokogawa Sichuan Instrument Co., Ltd. conducted emergency drills including oil storage room leakage and wastewater treatment station leakage to ensure employees are prepared and capable of responding to unexpected environmental incidents.

Management of Waste Gas, Wastewater, and Solid Waste

In managing waste gas, wastewater, and solid waste generated during production, Yokogawa Sichuan Instrument Co., Ltd. strictly complies with national environmental regulations including the *Environmental Protection Law of the People's Republic of China*, *Water Pollution Prevention and Control Law of the People's Republic of China*, and *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, alongside relevant standards. Yokogawa Sichuan Instrument Co., Ltd. has established internal procedures such as the *Waste Gas Management Procedure*, *Wastewater Monitoring Procedure*, *Waste Management Procedure*, and *Chemical Management Procedure* to implement categorized and differentiated management of operational waste. These measures ensure standardized and compliant handling of exhaust gases, wastewater, general solid waste, and hazardous waste to minimize environmental impact. In 2024, Yokogawa Sichuan Instrument Co., Ltd. recorded no environmental penalties.

Waste Gas

The waste gas generated by Yokogawa Sichuan Instrument Co., Ltd. mainly originates from organic waste gas produced during the cleaning process and dust waste gas generated during welding. Organic waste gas is collected centrally through pipelines and transported to the rooftop, where it is treated by activated carbon adsorption and catalytic combustion before being discharged. Dust waste gas is also collected centrally via pipelines and treated by water spray before discharge. Yokogawa Sichuan Instrument Co., Ltd. commissions third-party institutions to conduct annual inspections and regularly maintains the waste gas treatment facilities to ensure the system operates normally at all times. Treated emissions currently meet the standards for main urban areas specified in Table 1 of the *Comprehensive Emission Standard of Air Pollutants* (DB50/418-2016), indicating a low environmental risk.

Wastewater

The wastewater generated by Yokogawa Sichuan Instrument Co., Ltd. primarily consists of oil-containing effluent from cleaning processes and domestic sewage. The wastewater is first treated through oil separation and flocculation sedimentation, followed by further purification via integrated equipment for biochemical treatment before discharge. Yokogawa Sichuan Instrument Co., Ltd. commissions third-party institutions to conduct annual inspections and regularly maintains the wastewater treatment facilities to ensure stable system operation. Given the reduced biological activity in winter, which can lead to relatively lower quality of wastewater, Yokogawa Sichuan Instrument Co., Ltd. has implemented a recycling treatment strategy and increased the frequency of monitoring to ensure that wastewater discharge complies with the Grade 3 standards outlined in Table 4 of the *Comprehensive Wastewater Discharge Standard* (GB8978-1996).

Solid Waste

Main sources and disposal methods of general waste at Yokogawa Sichuan Instrument Co., Ltd. include:

Domestic waste from canteens, restrooms, and other areas	Collected and transported by municipal services
Recyclables (paper, plastic, metal) from production/offices	Collected separately and processed by qualified third-party recycling companies in compliance with regulations

Hazardous Waste

After identification, the types of hazardous waste of Yokogawa Sichuan Instrument Co., Ltd. include:

Oil-containing metal scraps, emulsions, and oil-water mixtures generated during mechanical processing	Waste packaging materials and discarded circuit boards generated during production, as well as oil-containing sludge produced during wastewater treatment	Spent activated carbon from waste gas treatment processes
---	---	---

Yokogawa Sichuan Instrument Co., Ltd. implements meticulous control over hazardous waste handling processes, including storage, weighing, record-keeping, labeling, outbound transfers, as well as management plans, monthly reports, and annual documentation. In addition, Yokogawa Sichuan Instrument Co., Ltd. conducts daily inspections in hazardous waste storage areas, with dedicated personnel overseeing inbound/outbound transfers and transportation. The temporary storage rooms feature leak-proof measures and oil-collection trenches, with waste categorized for segregated storage under surveillance. Moreover, annual follow-up inspections are performed on waste disposal contractors. In recent years, Yokogawa Sichuan Instrument Co., Ltd. has pioneered innovations to reduce hazardous waste at source. For instance, in the machining process, cleaning liquids are recycled using an emulsion liquid recycling system, while evaporation and circulation methods are employed. A screw press has also been introduced at the wastewater treatment plant for sludge dewatering. Through these measures, hazardous waste emissions have been effectively controlled, and the environmental impact has been reduced.

Optimizing Resource Circulation

YOKOGAWA China integrates sustainability principles into core operations, driving green and low-carbon transformation through refined energy management, efficient resource utilization, and full product lifecycle stewardship. Supported by international certifications and smart platforms, YOKOGAWA China achieves dynamic energy consumption monitoring and closed-loop optimization. By leveraging technological innovation and management upgrades, YOKOGAWA China unlocks the potential for resource efficiency. Furthermore, by embedding circular economy principles throughout the product lifecycle, YOKOGAWA China has established a closed loop of green value chain, laying a solid foundation for reducing the environmental footprint and enhancing ecological benefits, thereby enabling high-quality development.

Energy Management



ISO 50001:2018 Energy Management System Certification



The Energy Management Visualization Platform

In production operations, Yokogawa Sichuan Instrument Co., Ltd. strictly adheres to the *Energy Conservation Law of the People's Republic of China* and standards including *ISO 50001:2018 Energy Management Systems—Requirements with Guidance for Use*, establishing a management system that covers energy consumption indicators for products and equipment. During the reporting period, Yokogawa Sichuan Instrument Co., Ltd. successfully obtained ISO 50001:2018 energy management system certification.

To standardize and efficiently implement energy management, Yokogawa Sichuan Instrument Co., Ltd. formulated the *Energy Operation Control Procedure*, enabling standardized and precise control over energy-related equipment, facilities, and consumption processes, which encompasses full lifecycle management from energy-efficient procurement to high-performance operation and maintenance. Simultaneously, through the *Energy Monitoring and Measurement Control Procedure*, Yokogawa Sichuan Instrument Co., Ltd. established a systematic energy performance monitoring mechanism to ensure continuous tracking and analysis of key energy data, target achievement, and regulatory compliance. In addition, the integration of a smart energy management platform enables real-time tracking and visualization of diverse energy data, forming a closed-loop "monitoring-analysis-execution-optimization" management system. This platform lays a solid foundation for effectively identifying energy-saving potential, implementing targeted improvement measures, continuously reducing energy consumption intensity, and enhancing overall resource utilization efficiency.

Yokogawa Sichuan Instrument Co., Ltd. identified the opportunities for energy-saving improvements in equipment, comprehensively evaluating the energy-saving improvement projects against factors such as technical reliability, independence, investment requirements, payback periods, and alignment with corporate strategy. In 2024, based on assessment results, Yokogawa Sichuan Instrument Co., Ltd. implemented five energy-saving technical upgrades covering management optimization, technology enhancement, and energy and product structure adjustments, thereby advancing energy conservation and emission reduction. With an investment of RMB 223,000, these initiatives achieved energy savings equivalent to 23.7 tons of standard coal, contributing to a 3% reduction in the company's total energy consumption for 2024 compared to 2023.

Resource Efficiency Enhancement

To minimize resource waste and reduce waste generation, Yokogawa Sichuan Instrument Co., Ltd. established the *Water, Electricity, and Gas Management Procedure*, enhancing resource utilization efficiency and lowering environmental impact through institutionalized controls. Management requirements include intensified awareness campaigns, zoned metering with anomaly response mechanisms (covering regular record and analysis, troubleshooting, and corrective actions), and targeted conservation measures, such as water-saving measures (e.g., reclaimed water reuse, optimized cleaning processes), electricity conservation (procuring equipment with low energy consumption, encouraging the practice of "turning off light when leaving", configuring devices in energy-saving modes), and gas reduction (precision air-conditioning controls). Yokogawa Sichuan Instrument Co., Ltd. also develops an integrated management system, which combines resource monitoring, behavioral guidance, and technical upgrades, to establish a quantifiable, traceable foundation for sustainable operations.

Automated Equipment Cleaning for Resource Efficiency

In 2024, Yokogawa Sichuan Instrument Co., Ltd. systematically upgraded a specific connector cleaning process. It fully replaced the original manual cleaning (which consumed 1.725–3.45 liters of pure water per unit) with a five-tank automated continuous cleaning line, and equipped the line with dedicated cleaning baskets to optimize the workflow, thus completely addressing the core issue of low pure water utilization in manual cleaning. After the upgrade, the pure water consumption per unit decreased by 62.12%. Additionally, the total annual pure water usage and wastewater discharge were reduced by 225.18 tons, while the electricity consumption for pure water production dropped by 450.36 kWh, resulting in a 0.86-ton reduction in carbon emissions. With a low-cost investment, this project has not only significantly relieved the pressure from the substantial 285-ton pure water consumption in the connector cleaning process back in 2023, but also achieved the synergistic benefits including "water conservation, energy reduction, and carbon emission reduction". It has thus become a typical example demonstrating how the company improves resource efficiency and practices sustainable industrial development through technological innovation.



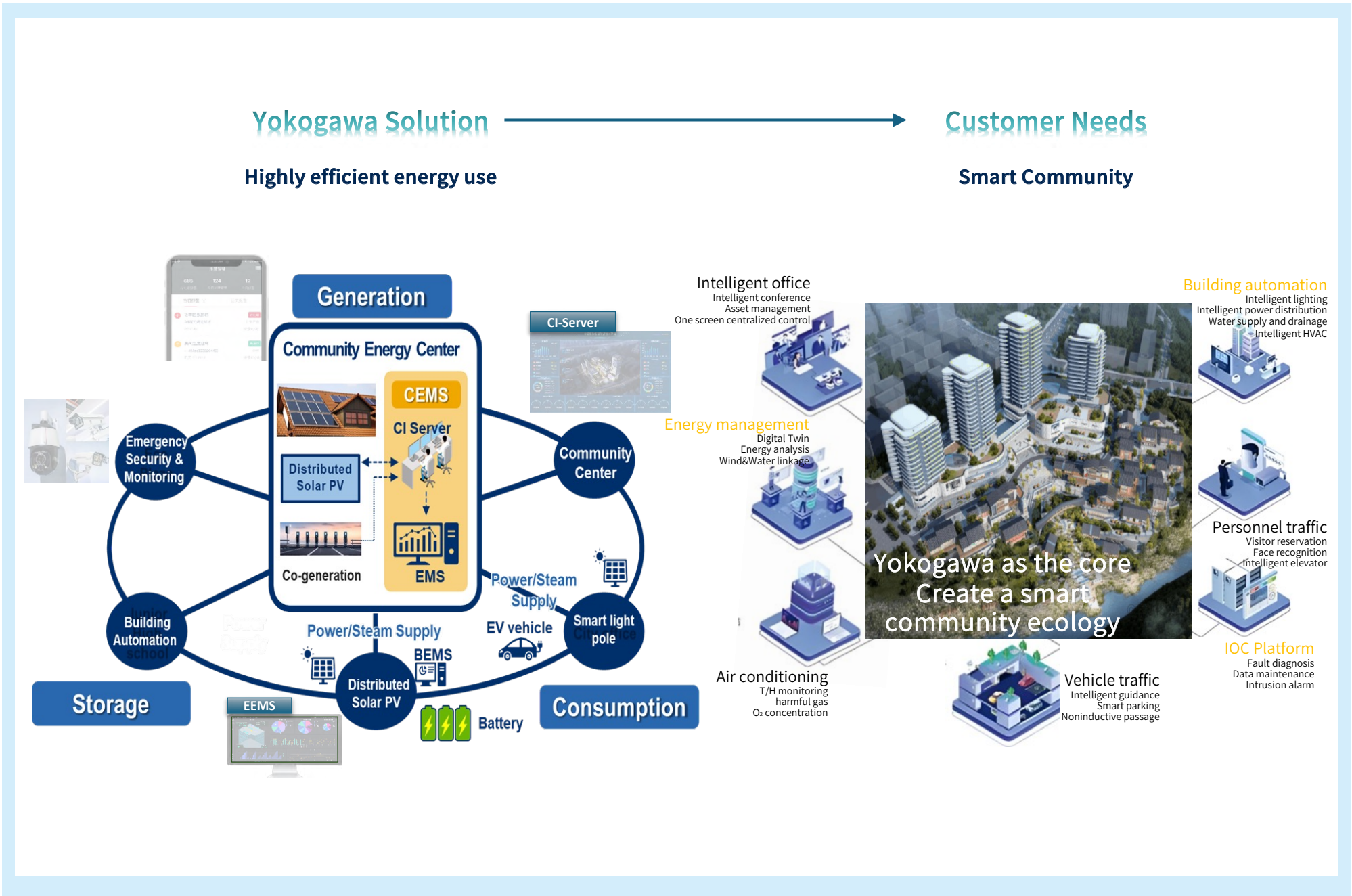
Comparison Before and After the Cleaning Equipment Upgrade

Reshaping Community Operations with Smart Energy Solutions to Lead a Low-Carbon Life

Special Column

In a smart energy integration project within a high-end Beijing community, Yokogawa China Co., Ltd. leveraged digital intelligence and green, low-carbon principles to address inefficiencies in energy utilization and concentrated carbon emissions, thereby establishing a new operational model for the community that sets an industry benchmark. YOKOGAWA China's customized solution for this project integrates community visual management, energy management, smart lighting, building automation, smart home integration, intelligent appliance management, and distributed solar photovoltaic and wind energy management, demonstrating YOKOGAWA China's expertise in energy and digitalization and representing a key milestone in the company's smart community business expansion.

The project leverages YOKOGAWA China's core competencies in intelligence, digitalization, and AI to create a secure, comfortable, and convenient living environment. By implementing a community energy management system and a comprehensive smart home architecture, supported by a scalable product ecosystem, the solution facilitates distributed information management and intelligent decision-making for community environments, user behaviors, and system operations. This approach not only provides residents with immersive, personalized, and sustainable smart living experiences but also promotes low-carbon transformation in community operations, supporting green and sustainable management.



Integrated Asset and Energy Management Solution

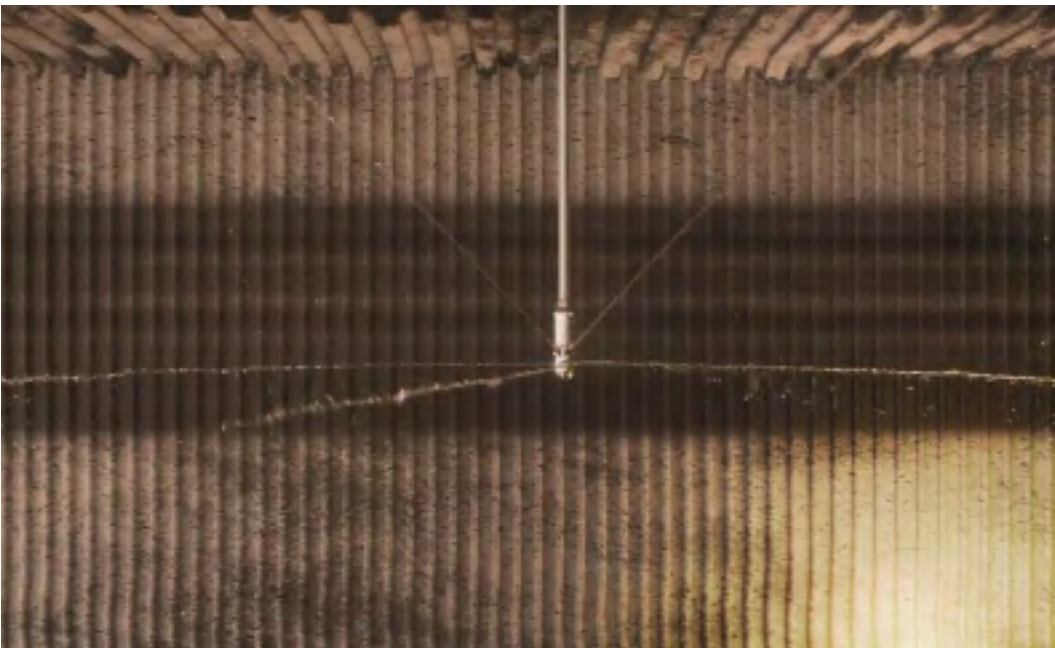
Enhancing Efficiency and Reducing Emissions in Nanning Waste-to-Energy Project with Automated Hydraulic Cleaning System

Special
Column

In the context of accelerating global urbanization, the management of solid waste has become increasingly critical. Waste-to-Energy (WTE) incineration, recognized as a scientifically efficient method for solid waste treatment and energy recovery, is gaining significant global attention.

Having moved beyond the early phase where the emphasis was placed more on development scale than on technological depth, today in the 21st century, against the backdrop of the global vision for sustainable development and national strategic layouts for Dual Carbon, how to continuously optimize pollutant emission control in waste incineration and keep advancing toward greater efficiency, cleaner operations, and lower carbon footprints remains a key goal that industry leaders are striving for with full commitment.

The high chlorine content and ash in waste can lead to fly ash adhesion and corrosion of metal components within equipment, significantly reducing boiler's thermal efficiency and increasing maintenance expenses. Yokogawa China Co., Ltd. has provided the fully automated Dublix DD-Jet hydraulic cleaning system for the WTE project in an industrial park in Nanning City. As a key solution within the advanced solution portfolio of YOKOGAWA China's Energy & Sustainability Division, the Dublix DD-Jet hydraulic cleaning system offers an industry-leading approach to improving boiler combustion efficiency. Targeting waste incineration boilers and biomass power generation boilers, this solution can effectively reduce the flue gas outlet temperature by 30-80° C, thereby improving thermal efficiency and reducing corrosion on water walls and superheaters. With a lower total cost of ownership (TCO), customers can effectively slow down the rate of soot and scale accumulation in the furnace, significantly increase steam production, enhance boiler efficiency, reduce flue gas temperature, and cut down emissions of GHG and nitrogen oxides (NOx).



Dublix DD-Jet Hydraulic Cleaning System

Supporting the Sustainable Localized Production of Battery Raw Materials: Supplying DCS & SIS Control Systems for a US Factory

**Special
Column**

In the United States, the growing adoption of electric vehicles and digitalization is driving increased demand for dimethyl carbonate (DMC) and ethyl methyl carbonate (EMC). Yokogawa China Co., Ltd. collaborated with Morimatsu Group on a DMC and EMC plant project in the US, providing integrated Distributed Control System (DCS) & Safety Instrumented System (SIS) for the facility.

The control systems provided by Yokogawa China Co., Ltd. offer precise process control and safety interlocks, ensuring environmentally compliant and efficient production operations, further supporting the achievement of low energy consumption and reduced emissions targets. The project effectively addresses the demand gap in the US market. Upon completion, the plant will meet local requirements for DMC and EMC, eliminating the environmental impact associated with international transportation. By enabling local production and consumption, the solution effectively reduces carbon emissions across the supply chain.



Governance: Cornerstone of Accountability

- 77 Enhancing Corporate Governance
- 79 Upholding Business Ethics
- 82 Building a Responsible Supply Chain
- 84 Safeguarding Digital Assets
- 86 AI Application and Governance



Sound corporate governance is fundamental to the sustainable development of an enterprise. Clearly defined responsibilities, transparent decision-making processes, and effective oversight mechanisms not only ensure the standardization and compliance of corporate operations but also foster enduring trust among employees, customers, and society. We view governance as the essential link between accountability and value, driving the company's steady progress through continuous institutional improvement and the fulfillment of responsibilities.

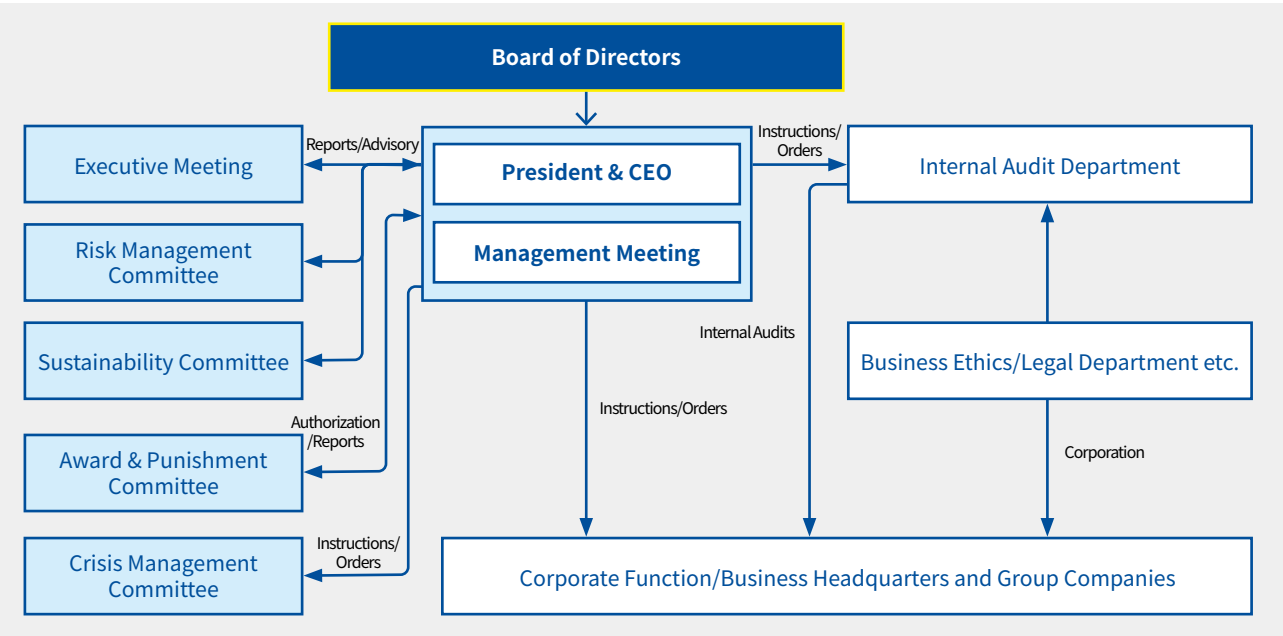
Enhancing Corporate Governance

Governance Structure

YOKOGAWA China consistently refines the corporate governance structure to ensure legal compliance, scientific decision-making, efficient execution, and effective supervision, thereby solidifying the institutional foundation and providing underlying support for the company's high-quality development.

YOKOGAWA China is dedicated to improving the corporate governance architecture and management systems, while adopting YOKOGAWA's Purpose and Corporate Philosophy as the basic policy for sustainable development, and striving to enhance medium to long term corporate value through sustainable growth. Guided by the Yokogawa Corporate Governance Guidelines, Yokogawa China Co., Ltd. has established a governance framework that ensures comprehensive compliance. Through a clear, efficient, and legally compliant governance structure, it promotes the sustainable development of YOKOGAWA's business and its growth in China.

Governance Structure of Yokogawa China Co., Ltd.



Board of Directors

Entrusted by shareholders, the Board of Directors dedicates to addressing the key management issue of "sustainable development" by improving profitability and capital efficiency, with the ultimate goal of achieving sustainable growth and increasing the corporate value over the medium to long term. The meetings of Board of Directors, including formal and interim sessions, are held at least twice a year. Formal meetings, which are convened and chaired by the Chairman, review and approve the company's strategic direction and key personnel appointments.

To ensure the quality of decision-making and the inclusion of diverse perspectives, members of the Board of Directors are selected for their expertise, experience, and capabilities. Additionally, diversity is maintained across dimensions such as gender, nationality, internal and external backgrounds, and age, in order to enhance the depth and breadth of corporate governance.

Management Meeting

As the decision-making body of the executive layer, the Management Meeting, whose members are nominated by the President & CEO, assumes full responsibility for the company's overall operations. Through cross-departmental collaboration, members of the Management Meeting deliberate, decide on, and share proposals and reports, making strategic decisions regarding the company's business strategies and communicating these resolutions through appropriate channels.

Risk Management

For Yokogawa China Co., Ltd., risk is defined as the uncertainty that affects the company's enterprise value, including the external environment, strategy, quality, environment, health and safety, crisis management, and business ethics. To effectively manage these uncertainties, we have established a risk management system, an internal control system, and a crisis management mechanism covering the entire organization, referring to the Group framework. A Risk Management Committee has been established as a special committee under the CEO to provide risk assessment recommendations to the CEO and appropriately control the impact of risks on the company's operations. During the reporting period, Yokogawa China Co., Ltd. has collected internal and external risks, and formulated corresponding response strategies by evaluating and analyzing multiple dimensions such as severity, specific impact, and risk scenario to control major risks.

In order to systematically promote risk management, Yokogawa China Co., Ltd. has built a three-tier risk management structure, with each business department, corporate management department, and internal audit department performing their respective duties. These departments shall use the PDCA (Plan-Do-Check-Act) tool in accordance with the *Risk Management Procedures* and standardized processes to ensure the dynamic cycle of risk identification, assessment, response, and improvement, and effectively promote sustainable risk management.

Risk Management Structure

Supervision Level

Internal audit department

Regularly evaluate the effectiveness of the risk management process

Management Level

Corporate management department

Organize the reported risks in accordance with the procedures and the affairs bureau's process, and sort the severity of these risks according to the risk assessment matrix, and manage the response plan for major risks

Execution Level

Business departments

Identify, assess, and control business risks in real time, formulate and implement response measures, and report to the management level instantly

Upholding Business Ethics

Upholding business ethics is the basic principle of corporate behavior. We adhere to operating with integrity, strengthen the compliance awareness of all employees, strictly abide by laws, regulations and company codes of conduct, and continuously create a fair, transparent, and responsible business environment through policy construction and education.

Compliance Management

YOKOGAWA China adheres to the principle of "Compliance First", consistently abiding by laws, regulations, and all other social norms, and conducting business activities with a high moral standard. YOKOGAWA China strictly follows the *Yokogawa Group Code of Conduct*, *Yokogawa Group Compliance Guidelines*, and fundamental principles of Group Management Standards (GMS). These documents align employee behavior with corporate values, legal compliance, human rights, and sustainability commitments across the Group. In China, supplementary policies including the *Guide to Enterprise Ethics*, *Internal Reporting and Negotiation Rules*, and *Award and Punishment Policy* further define core principles and implementation protocols.

Compliance Management System

YOKOGAWA China has established and continuously enhanced the compliance framework. The governance structure includes a Business Ethics Office (BEO) responsible for investigating compliance incidents, and an independent Award & Punishment Committee (APC) that makes decisions based on findings. This "investigation-decision" mechanism ensures impartial and transparent compliance oversight.

Several measures have been taken to further ensure business operations comply with laws, regulations, and internal policies. In terms of policy, the Legal Department leads the development and improvement of compliance management standards and provides regular consultations. In terms of supervision, the Internal Control Department and Internal Audit Department conduct regular audits and inspections, working with business units to follow up on and implement corrective actions. In terms of management mechanism, a company-wide compliance obligation and accountability mechanism has been established, holding each employee responsible for the compliance of their actions. Furthermore, for risk monitoring, the digital platform "Business Ethics Line" has been leveraged to capture real-time dynamics of compliance risks. Through cross-level and cross-departmental collaboration, YOKOGAWA China maintains a vertically integrated compliance management closed-loop with clearly defined responsibilities.

Compliance Training and Education

YOKOGAWA China regards building employee compliance awareness as one of the key aspects of compliance management. On one hand, YOKOGAWA China requires employees to actively participate in the Group's annual compliance training and compliance week activities, promptly learning the latest compliance information to align their concepts and actions with the Group. On the other hand, YOKOGAWA China organizes internal training and independently publishes *Yokogawa China Legal Newsletter* to educate and promote compliance culture among employees in China.

YOKOGAWA China Published Self-Authored Yokogawa China Legal Newsletter to Promote Compliance Culture

The *Yokogawa China Legal Newsletter*, compiled by the Legal Team of YOKOGAWA China, is distributed to all employees across YOKOGAWA's entities in China region. It focuses on compliance risks and legal practices in high-frequency business scenarios, covering core topics such as contract management, anti-unfair competition, IP compliance, data compliance, and operational compliance. Through case studies with laws, Q&A explanations, and other engaging formats, it effectively enhances company-wide compliance awareness and provides practical guidance for business operations. In 2024, the Legal Team successfully published four quarterly issues, reaching all employees in YOKOGAWA China.

In addition, the Legal Team also periodically issues specialized reports such as *Legal Alert* to inform management or relevant business units across the region regarding significant business risks, relevant policies, or cases. The Legal Team also promptly tracks, analyzes, and informs about legislative updates of relevant laws and regulations, ensuring YOKOGAWA China's compliance management system consistently meets the baseline requirements of the latest laws and regulations.



Yokogawa China Legal Newsletter

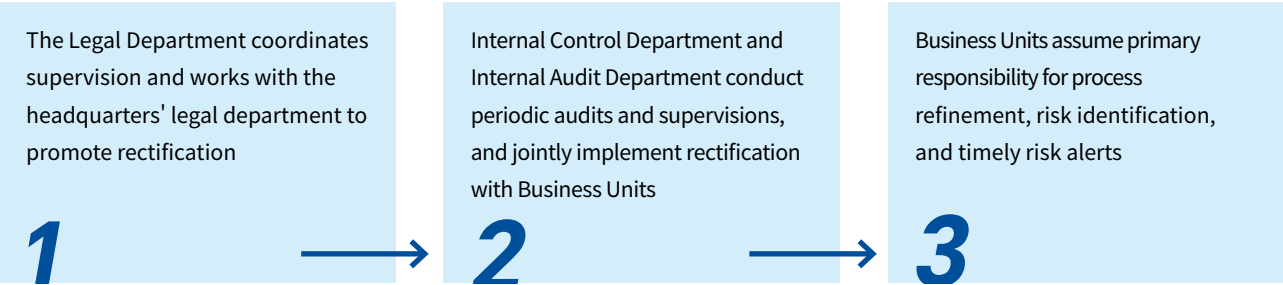


Legal Alert

Anti-Corruption and Anti-Unfair Competition

YOKOGAWA China strictly complies with relevant laws and regulations, including the *Criminal Law of the People's Republic of China*, *Anti-Unfair Competition Law of the People's Republic of China*, *Bidding Law of the People's Republic of China*, and *Anti-Monopoly Law of the People's Republic of China*. Grounded in the *Yokogawa Group Code of Conduct*, YOKOGAWA China has formulated institutional documents such as the *Manual for Prevention of Giving and Receiving Bribes*, *Detailed Rules for Manual for Prevention of Giving and Receiving Bribes*, and *Procedures for Competition Law Compliance* to regulate anti-corruption and anti-unfair competition behaviors from various aspects, including daily operations, reception, and bidding.

The management mechanism features a "Three Lines of Defense" model coordinated among Legal Department, Internal Control Department and Internal Audit Department, and Business Units:



In terms of awareness-building, YOKOGAWA China continuously reinforces the principles of anti-bribery, anti-corruption, and fair competition through rule interpretation, training by external experts, and case studies, ensuring that power operates transparently. In 2024, anti-bribery compliance training was conducted for all YOKOGAWA's employees in China. During the reporting period, YOKOGAWA China did not encounter any sanction cases related to bribery, anti-competitive behavior, anti-monopoly law, or monopolistic conduct.

Reporting and Whistleblower Protection

YOKOGAWA China is committed to upholding laws and regulations, fully protecting employees' rights to report and appeal against violations, illegal activities, or breaches of business ethics. To this end, YOKOGAWA China has established the Internal Reporting and Negotiation Rules to prevent misconduct. Additionally, YOKOGAWA China has established a Business Ethics Office, with a "Business Ethics Line" (BEL) under its jurisdiction, responsible for handling both named and anonymous reports. YOKOGAWA China strictly protects the identity and reporting information of all whistleblowers and implements a "zero retaliation" policy: any acts of retaliation, reprisal, or threats against whistleblowers will result in the immediate initiation of disciplinary proceedings and will be dealt with severely, thereby fostering a secure and trustworthy reporting environment.

Scope of Whistleblower Protection

- Protecting reporters from adverse treatment due to reporting
- If a reporter claims experiencing adverse treatment, the relevant business units, in conjunction with the HR Department, shall investigate the facts. If confirmed, appropriate action must be taken while terminating the adverse treatment
- Reporting under this system is not deemed a breach of confidentiality obligations, even if it involves confidential matters of departments and positions

Building a Responsible Supply Chain

Risk Management for Sustainable Procurement

100%
Supplier integrity agreement signing rate

YOKOGAWA China regards supply chain management as an extension of sustainable competitiveness. YOKOGAWA China begins by establishing sound systems and implementing strict evaluation processes to improve the stability and sustainability of the supply chain; through enhanced communication and dialogue, YOKOGAWA China collaborates with suppliers to build a stable and responsible value network.

Yokogawa China Co., Ltd. is committed to building a standardized and robust supplier compliance management system. With reference to the RBA* Code of Conduct and ISO 20400 (Sustainable Procurement-Guidance) and in accordance with the *Yokogawa Group Sustainable Procurement Guidelines*, Yokogawa China Co., Ltd. is continuously improving supplier conduct requirements, and requires suppliers to sign the *Supplier Compliance Statement*, making explicit commitments in terms of responsible business conduct, labor and human rights, occupational health, and environmental safety. During the reporting period, the supplier integrity agreement signing rate reached 100%.

For supplier risk management, Yokogawa China Co., Ltd. implements group-wide management measures, continuously refining procurement management workflows and conducting supplier questionnaires to precisely identify, manage, and mitigate risks. The *Procurement Process Management Code* establishes a standardized procurement procedure by clearly defining all roles, responsibilities, and process requirements, systematically preventing risks of illegality, benefits, fraud, and litigation, and ensuring the legal and efficient operation of procurement activities.

Since 2020, YOKOGAWA Group has invited suppliers to complete a Self-Assessment Questionnaire (SAQ) focused on environmental protection and human rights, enabling timely identification and evaluation of CSR risks within the supply chain. From 2023 to 2025, the scope of the SAQ assessments has been expanded to four dimensions: human rights, health and safety, environment, and compliance, further strengthening procurement CSR risk management. Yokogawa China Co., Ltd. follows up and provides feedback on the selected suppliers in accordance with the requirements of the Group.

To further strengthen the compliance and risk awareness of procurement personnel, Yokogawa China Co., Ltd. actively responds to the Group's call for training and empowerment of procurement personnel, actively participates in the Group's online learning courses on the theme of sustainable procurement, and participates in the Group's Sustainable Procurement Guidelines study sessions to deepen the understanding and application of sustainable procurement-related requirements.

Daily Management Mechanism for Suppliers

To ensure third-party procurement meets customer project requirements, Yokogawa China Co., Ltd. has established the *Regulation on 3rd Party Procurement*, clarifying authorities, standardizing procedures, defining warranties, and refining evaluation and documentation management. The supplier evaluation is handled by a cross-departmental review team, which rigorously assesses various supplier information to sustainably improve supply chain management efficiency and enhance customer satisfaction.

New Supplier Management

Yokogawa China Co., Ltd. places great emphasis on the ethical conduct of suppliers, strictly evaluating qualifications based on the *New Supplier Evaluation Form* and requiring all suppliers to sign the *Supplier Compliance Statement & Sustainable Procurement Guidelines*.

*RBA (Responsible Business Alliance): A coalition advancing social responsibility in global supply chains

Annual Supplier Management

The review team conducts a comprehensive evaluation of suppliers at least once a year, covering product quality, delivery date, and price competitiveness. In addition, on-site audits are conducted for panel manufacturing/integrators, as well as suppliers who have experienced major quality incidents or severe delivery delays within one year but still wish to continue the partnership, to ensure the authenticity of the enterprise's rectification.

The annual supplier evaluation requirements explicitly include the qualification review of the supplier's quality management system and health, safety, and environmental management system, effectively promoting the improvement of suppliers' sustainable management levels and contributing to the overall stable development of the supply chain.

Communication with Suppliers

YOKOGAWA China actively promotes communication and discussion between the procurement team, project delivery team, and core suppliers, aiming to align goal understanding and reduce cooperation barriers; collaboratively optimize processes and reduce operating costs; provide early warning of risks and improve supply chain resilience; drive collaborative innovation and enhance supply chain competitiveness; and deepen long-term cooperation and build strategic mutual trust.

In the context of intense market competition and increasing supply chain uncertainty, YOKOGAWA China has transitioned from a "one-way management" approach to a "two-way collaboration" model of supplier management through workshops with core suppliers. This involves information sharing, process optimization, joint risk prevention, and innovation linkage, transforming suppliers from "passive executors" to "strategic partners," effectively enhancing the efficiency, resilience, and innovation of the supply chain, and ensuring the competitive advantage of YOKOGAWA China.



Safeguarding Digital Assets

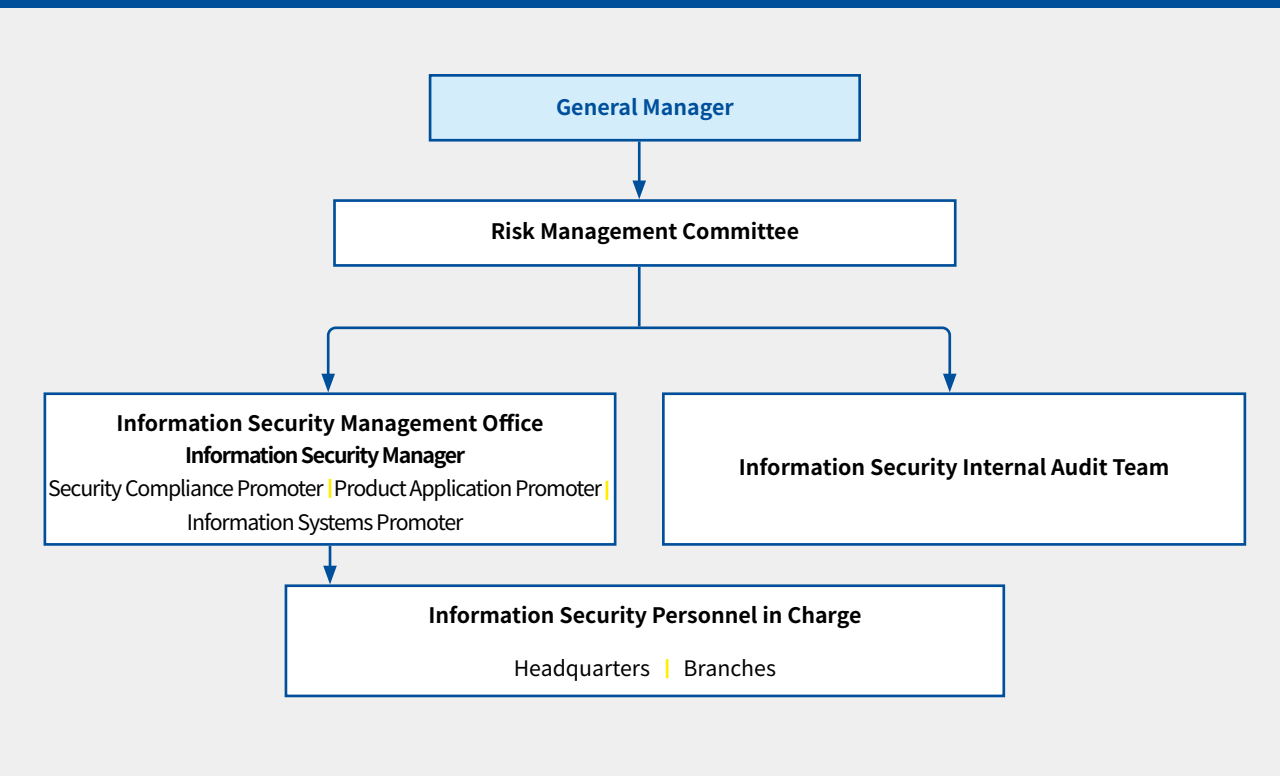
Amid accelerating digital transformation, YOKOGAWA China prioritizes data security and information protection. We continuously strengthen cybersecurity management systems, refine institutional processes, and proactively prevent various information risks. Through technological measures and employee training, we effectively safeguard the digital assets of customers, employees, and our company.

Information and Privacy Security

YOKOGAWA China strictly adheres to information and privacy security by establishing and implementing relevant information security protection systems and measures, and by supervising the ongoing improvement of information security management. YOKOGAWA China strictly complies with the requirements of the *Data Security Law of the People's Republic of China*, *Cybersecurity Law of the People's Republic of China*, *Personal Information Protection Law of the People's Republic of China*, *Measures for the Security Assessment of Cross-Border Data Transfer*, *Measures for the Standard Contract for the Cross-Border Transfer of Personal Information*, and *Measures for Scientific and Technological Ethics Review (for Trial Implementation)*, alongside establishing comprehensive internal policies to build trusted digital environments for customers and stakeholders.

In terms of information security, YOKOGAWA China has established an Information Security Management Office and an information security internal audit team based on our risk management mechanism. At the same time, to implement internal information security protection within each department, YOKOGAWA China has specifically appointed Information Security Personnel in Charge as the primary responsible persons for information security in each department, thereby forming a closed-loop management model of "management-execution-supervision." YOKOGAWA China's information security management is widely recognized, having successfully obtained ISO 27001 Information Security Management System Certification.

Information Security Management Structure of YOKOGAWA China





ISO 27001 Information Security Management System Certification

In terms of privacy protection, YOKOGAWA China prioritizes customers and has established a three-tier privacy protection management structure. Within this structure, the decision-making layer is responsible for strategy formulation, which is conducted by YOKOGAWA Group's Privacy and Data Protection (PDP) Department. The execution layer is responsible for implementation, coordination, and oversight, jointly managed by the Legal and IT Departments. The oversight layer is responsible for conducting compliance audits, handled by the Internal Audit Department. Based on this structure, YOKOGAWA China has formed a robust security framework, ensuring the secure and controllable handling of personal information from collection, storage, and usage to cross-border transfer. Furthermore, YOKOGAWA China is actively promoting the development of information security and cultivating employees' information security awareness to safeguard the data and privacy of both corporate and customers.

In recent years, the Legal Team has participated in or led the Digital Compliance Gap Analysis Project and the Personal Information Cross-Border Transfer Compliance (PICBT) Project. Through these projects, YOKOGAWA China has identified gaps between existing management practices and the requirements of data compliance-related digital regulations. To address the identified compliance gaps, the team has progressively implemented targeted measures, including obtaining employee consent for personal information processing, addressing cross-border data transfer compliance within the Group, and assessing the cross-border transfer risks of current and future IT systems. Furthermore, YOKOGAWA China has conducted Privacy Impact Assessment (PIA) reports, and Yokogawa China Co., Ltd. and Yokogawa China Investment Co., Ltd. obtained personal information cross-border transfer record numbers from the Office of the Central Cyberspace Affairs Commission (CAC) in 2024.

In addition, YOKOGAWA China regularly conducts specialized privacy protection training for all employees or specific departments to enhance employees' literacy in data security, advise data managers on management practices, and thereby help reinforce an organization-wide information security culture.

YOKOGAWA China continuously updates compliance documents related to information and privacy. In 2025, the Internal Audit Department plans to conduct the first group-wide personal information audit. During the reporting period, YOKOGAWA China did not experience any data security incidents or customer privacy breaches.

Intellectual Property Protection

YOKOGAWA China regards intellectual property (IP) as a critical asset to maintain the high added value of our products and solutions services and to provide value to all customers. Since 2022, YOKOGAWA Group has formulated a new IP strategy. YOKOGAWA China follows the same strategy as the Group and improves it based on the actual situation in China. We have revised internal policy documents and operation guidelines such as the *Basic Principles of Intellectual Property Management*, *Intellectual Property Management Rules*, *Regulations on Intellectual Property Development Incentive*, *Documents for Intellectual Property Risk Assessment and Patent Application*, *Documents for Trade Mark Application*, and *Documents for Copyright Registration* to standardize the management of assets such as patents, trademarks, and copyrights.

AI Application and Governance

To efficiently manage global IP assets, the Group's IP Department has unified supervision rights. Relying on YOKOGAWA Group's unified processes, YOKOGAWA China shares risk lists with the Group in real-time, coordinates with the Group's IP department, and regularly conducts patent early warnings, trademark monitoring, and infringement investigations to reduce IP risk points. At the same time, YOKOGAWA China continuously improves the IP management system, connects the Japanese headquarters, regional IP centers, and global patent institutions, law firms, and translation agencies to create a global collaborative platform. Through technical means, it promotes the high-quality and efficient development of global IP activities. During the reporting period, no IP disputes or violations occurred, and the risks were under control.

In addition, YOKOGAWA China continues to contribute to the development of a global talent team by introducing fresh graduates and senior experts, establishing regional functional centers, optimizing the service capabilities of local lawyers and patent agents, and providing internal training. These efforts aim to fully build the global talent team and enhance the professional value of outstanding IP talent. It also implements tiered rewards for employees based on their achievements in patents, trademarks, and copyrights in accordance with the *Regulations on Intellectual Property Development Incentive* to stimulate the innovative vitality of all employees, thereby injecting continuous momentum into the global competition in the Information Technology/Operational Technology (IT/OT) convergence era.

YOKOGAWA China attaches great importance to the compliant application of AI technology in both corporate operations and product development. Collaborating with Legal, IT, and Technology Development Departments, YOKOGAWA China actively responds to this new technological shift, viewing it as an accelerator for the digital transformation. Since 2023, YOKOGAWA China's Legal Team has been monitoring the legal and regulatory developments in the AI field.

In 2024, the Legal Team partnered with the Technology Development Team to conduct an initial review of AI application scenarios and related compliance requirements within YOKOGAWA Group's business domains. With the continuous advancement and release of domestic AI large models, various departments have begun to actively explore the integration of AI tools into their workflows.

In 2025, to further promote the compliant, secure, and sustainable application of AI technology, YOKOGAWA China has implemented the following measures:

Firstly, YOKOGAWA China initiated a regional survey on AI usage, focusing on the practices and challenges of introducing AI tools in various subsidiaries and their departments across scenarios such as office operations, product design, and customer service.

Secondly, based on the Group's AI governance framework guidelines, and in conjunction with relevant Chinese laws, regulations, and business practices, YOKOGAWA China is actively drafting the *Provisions on AI Application*. These regulations will cover the usage standards for AI tools, data protection, personnel training, and approval processes, providing institutional support for employees to use AI in compliance and laying the governance foundation for YOKOGAWA China's future integration of AI with business operations.



Appendix

GRI Indicator Index

Report Contents		GRI Standards
Report Profile		2-1, 2-2, 2-3
Introduction	Executive Message	2-22
	Corporate Milestones	N/A
	External Honors and Awards in 2024	2-28
	YOKOGAWA in China	N/A
Sustainability Goals	Sustainability Management	2-17, 2-22, 2-24, 3-1
	Materiality Analysis	2-29, 3-1, 3-2, 3-3, 205-1, 302-1, 404-1, 416-1, 416-2
Social: Value Co- Creation	Strengthening Talent Cultivation	401-1, 401-2, 404-1, 404-2, 408-1, 409-1
	Building a Healthy Workplace Together	201-3, 401-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 406-1, 407-1
	Quality Assurance	416-1
	Driving Sustainable Innovation	203-2, 404-2
	Promoting Industry Development	203-2
	Pooling Community Strengths	413-1, 413-2
	Social Special Column	203-2
Environmental: Ecological Responsibility	Responding to Climate Change	3-3, 305
	Controlling Environmental Management Strictly	3-3, 303-1, 303-2, 306, 306-1, 306-2
	Optimizing Resource Circulation	3-3, 305, 306-2
	Environmental Special Column	413-1
Governance: Cornerstone of Accountability	Enhancing Corporate Governance	2-9, 2-10, 2-12, 2-13, 2-16, 2-24
	Upholding Business Ethics	2-24, 2-25, 2-27, 206-1
	Building a Responsible Supply Chain	2-28, 3-3, 205, 308-2, 414-2
	Safeguarding Digital Assets	418-1
	AI Application and Governance	2-23, 2-24
Appendix	Indicator Index	N/A

Feedback and Suggestions

Dear Reader,

We sincerely appreciate you taking the time to read the *2025 Yokogawa China Sustainability Report*. To enhance our reporting process and strengthen YOKOGAWA China's accountability and performance, we cordially invite you to share your valuable comments and suggestions on this report. Your feedback will support our continuous improvement. You may scan the QR code on this page to submit your insights to us.



Please scan the QR code to share with us.



Yokogawa China Co., Ltd., Yokogawa China Investment Co., Ltd.

<https://www.yokogawa.com/cn/>

Room 1801, Tower B, The Place, No. 100, Zunyi Road, Changning District, Shanghai 200051, China

Tel.:021-80315000, 021-62396262

Yokogawa Sichuan Instrument Co., Ltd.

<https://www.cys.com.cn/>

No. 1, Tongchang Road, Beibei District, Chongqing, China

This report is prepared and published by Yokogawa China Co., Ltd.