

| | Materiality | Risks related to materiality | Opportunities related to materiality | Issues to work on | KPI | Related SDGs | | | | |
|------------------|--|---|--|---|---|---|--|---|--|--|
| | | | | | Key items (Figures in parentheses [] are target values) | | | | | |
| Overall business | Contribution through business | <ul style="list-style-type: none"> Risks in raw material procurement and distribution Loss of business opportunities due to delay in technological innovation | <ul style="list-style-type: none"> Creation of new products with the introduction of new innovative production equipment and new manufacturing processes pursuing cost reduction Creation of new products and business and diversification of business due to technological innovation Improved efficiency and accuracy in R&D and improved inspection system and technology due to DX | <ul style="list-style-type: none"> Strengthening of corporate structure through innovation Creation of new products and businesses for sustainable growth | <ul style="list-style-type: none"> Percentage of developed products in sales [20% by 2030] Number of patent applications/patents held Number of environmentally friendly products developed Number of development projects with external institutions Number of products developed | | | | | |
| | | | | | <ul style="list-style-type: none"> Reduction in CO₂ emissions [50% or more reduction group-wide from FY2013 by 2030] Environmental targets [Electricity: 1% reduction per unit of production, water usage: 1% reduction per unit of production (Mishima and Kumagaya plants), waste: 0.1% reduction from the amount generated *All compared to previous year] Reduction of environmentally hazardous substances [Solvent-less agents to account for 75% of all release agents and adhesive agents by 2030] Percentage of renewable energy Disclosure of GHG emissions data (Scopes 1 and 2) Calculation of Scope 3 emissions by category Landfill disposal rate [1% or less] Usage of used paper Response rate of raw material supplier survey Percentage of forest-certified paper and pulp used | | | | | |
| The environment | Contribution to a sustainable global environment | <ul style="list-style-type: none"> Increased investment costs for becoming environmentally friendly Impact on procurement, including costs with high dependence on chemicals and petrochemical raw materials Decrease in usable raw materials due to tightening of environmental regulations | <ul style="list-style-type: none"> Development of a smart factory that is self-sufficient in terms of electricity, etc. Expanded market with the provision of environment-friendly products and services Conversion from petrochemical raw materials to biomass materials Acceleration of search for and conversion to substitutes and promotion of development of raw materials based on unique recipes Product development using raw materials in the positive list | <ul style="list-style-type: none"> Response to climate change Realization of a recycling-oriented world Sustainable procurement of raw materials Preservation of biodiversity | <ul style="list-style-type: none"> Reduction in CO₂ emissions [50% or more reduction group-wide from FY2013 by 2030] Environmental targets [Electricity: 1% reduction per unit of production, water usage: 1% reduction per unit of production (Mishima and Kumagaya plants), waste: 0.1% reduction from the amount generated *All compared to previous year] Reduction of environmentally hazardous substances [Solvent-less agents to account for 75% of all release agents and adhesive agents by 2030] Percentage of renewable energy Disclosure of GHG emissions data (Scopes 1 and 2) Calculation of Scope 3 emissions by category Landfill disposal rate [1% or less] Usage of used paper Response rate of raw material supplier survey Percentage of forest-certified paper and pulp used | | | | | |
| Society | Respect for human rights | <ul style="list-style-type: none"> Suspension of business or payment of monetary compensation due to human rights considerations in supply chains Loss of opportunity to secure excellent global human resources and loss of such resources Fall in labor productivity and loss of human resources | <ul style="list-style-type: none"> Higher employee awareness and recognition of contributions made to the development of a sustainable world due to penetration of corporate culture Enhanced employee motivation due to the development of safe and secure workplace environments Multifaceted business decisions made by diverse teams | <ul style="list-style-type: none"> Human rights due diligence Ensuring occupational health and safety Promotion of diversity Promotion of work style reform initiatives | <ul style="list-style-type: none"> Number of consultations regarding harassment Occupational accident frequency rate Occupational accident severity rate Number of plants having no accidents in a year Smoking cessation rate [84% or more] Number of serious violations of occupational health and safety laws and regulations Percentage of female managers/supervisors [5.5% or more] Percentage of female employee Percentage of female among the total number of new hires (graduates from a junior college or technical college/university/graduate school) [35% or more] Percentage of persons with disabilities in the total number of employees [2.3% or more] Average length of service of male and female Average age of employees Number of employees by region Percentage of mid-career hires promoted to managerial/supervisory roles Number of mid-career hires under the CP program (program to certify professional human resources) Number of non-Japanese presidents and executives at group companies outside Japan Percentage of childcare leave taken by male employees [10% or more] Percentage of paid leave taken [65% or more] Percentage of applications for remote working Number of participants in rank-based training programs (newly appointed managers, newly appointed supervisors, fifth-year follow-up, third-year follow-up, rank 5, rank 4) Number of participants in theme-based training programs (young employees in charge of sales, sales-related legal affairs, retirement/life planning, working environment improvement) Number of participants in language training programs (excluding employees on an overseas assignment) Number of participants in correspondence training programs (self-nominated) Hours of rank-based training programs (newly appointed managers, newly appointed supervisors, fifth-year follow-up, third-year follow-up) Hours of theme-based training programs (young employees in charge of sales, sales-related legal affairs, retirement/life planning, working environment improvement) | | | | | |
| | | | | | Enhanced value chain management | <ul style="list-style-type: none"> Loss of trust from customers due to a lack of proper quality control | <ul style="list-style-type: none"> Safe and secure business activities due to proper information gathering and system development | <ul style="list-style-type: none"> Comprehensive customer-first approach Improvement in terms of quality, cost, and customer satisfaction | <ul style="list-style-type: none"> Number of responses to CSR survey Percentage of quality incidents | |
| | | | | | Better communication with stakeholders | <ul style="list-style-type: none"> Loss of trust from local communities due to a lack of communication Damage to corporate reputation due to failure to provide full information disclosure (reputation risk) | <ul style="list-style-type: none"> Co-existence and co-prosperity with local communities Incorporation of issues recognized by stakeholders into business activities | <ul style="list-style-type: none"> Harmonious co-existence with local communities | <ul style="list-style-type: none"> Number of site tours offered Spending on social contribution activities | |
| Governance | Promotion of governance across the entire Group | <ul style="list-style-type: none"> Impact on business due to failure to make business decisions from an objective perspective Impact on corporate activities due to a lack of governance over group companies outside Japan Damage to corporate value due to a compliance violation | <ul style="list-style-type: none"> Business expansion due to good business decisions Prevention of illegal, fraudulent, or unjust acts due to an improved internal control system Improved stakeholder credibility and satisfaction | <ul style="list-style-type: none"> Organizational governance Fair business activities | <ul style="list-style-type: none"> Attendance at Board of Directors meetings Attendance at Audit and Supervisory Committee meetings Attendance at Nomination and Compensation Committee (former Corporate Governance Committee) meetings Attendance at Sustainability Committee meetings Percentage of female directors on the Board of Directors Number of reports made via the internal reporting system Number of legal training programs provided Periodic publication of Legal News [Issued 6 times a year] | | | | | |