

# Materiality and KPI

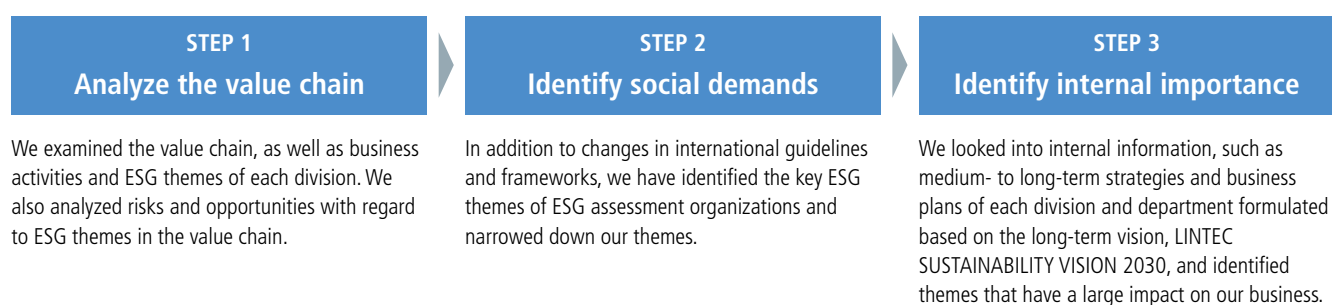
In order to contribute to the realization of a sustainability world, the LINTEC Group has identified priority issues as materiality, and has also established evaluation indicators (KPI) to monitor its progress.



















	Materiality	Issues to work on	KPI	
			Key items	
Overall business	Contribution through business	<ul style="list-style-type: none"> <li>Strengthening of corporate structure through innovation</li> <li>Creation of new products and businesses for sustainable growth</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of developed products in sales (20% by 2030)</li> </ul>	
			<ul style="list-style-type: none"> <li>Number of patent applications/patents held</li> </ul>	
Environment	Contribution to a sustainable global environment	<ul style="list-style-type: none"> <li>Response to climate change</li> <li>Realization of a recycling-oriented world</li> <li>Sustainable procurement of raw materials</li> <li>Preservation of biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in CO<sub>2</sub> emissions (Reduce group-wide emissions by 50% or more from 2013 levels by 2030)</li> </ul>	
			<ul style="list-style-type: none"> <li>Landfill waste disposal rate (1% or less)</li> </ul>	
			<ul style="list-style-type: none"> <li>Response rate of raw material supplier survey</li> </ul>	
Society	Respect for human rights	<ul style="list-style-type: none"> <li>Human rights due diligence</li> <li>Ensuring occupational health and safety</li> <li>Promotion of diversity</li> <li>Promotion of work style reform initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Number of consultations regarding harassment</li> </ul>	
			<ul style="list-style-type: none"> <li>Occupational accident frequency rate</li> </ul>	
			<ul style="list-style-type: none"> <li>Occupational accident severity rate</li> </ul>	
			<ul style="list-style-type: none"> <li>Percentage of female employees</li> </ul>	
			<ul style="list-style-type: none"> <li>Percentage of childcare leave taken by male employees</li> </ul>	
	Enhanced value chain management	<ul style="list-style-type: none"> <li>Comprehensive customer-first approach</li> <li>Improvement in terms of quality, cost, and customer satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>Number of responses to CSR survey</li> <li>Percentage of quality incidents</li> </ul>	
Governance	Better communication with stakeholders	<ul style="list-style-type: none"> <li>Harmonious co-existence with local communities</li> </ul>	<ul style="list-style-type: none"> <li>Number of site tours offered</li> </ul>	
	Promotion of governance across the entire Group	<ul style="list-style-type: none"> <li>Organizational governance</li> <li>Fair business activities</li> </ul>	<ul style="list-style-type: none"> <li>Attendance at Board of Directors meetings</li> </ul>	
			<ul style="list-style-type: none"> <li>Attendance at Audit and Supervisory Committee meetings</li> <li>Periodic publication of Legal News</li> </ul>	

For more detailed information, please visit our Sustainability website below:

<https://www.lintec-global.com/sustainability/philosophy/>

## Process of Reviewing Materiality



	Results	Organizations covered	Related SDGs
	21.4%★	LINTEC CORPORATION	   
	Number of patent applications: 260★ (FY2022) Number of patents held: 2,757★ (as of March 31, 2023)	LINTEC CORPORATION	
	39.7%	LINTEC CORPORATION Group companies in and outside Japan	   
	0.36%	LINTEC's Head Office, ten production sites and the Research Center, and TOKYO LINTEC KAKO, INC.	
	The survey was not conducted in FY2022. Based on the results of the survey conducted in FY2021, requested improvement on 11 matters★.	LINTEC CORPORATION	
	2 cases★	LINTEC CORPORATION Group companies in and outside Japan	   
	0.76★	LINTEC's ten production sites and the Research Center, and TOKYO LINTEC KAKO, INC.	
	0.0142★	LINTEC's ten production sites and the Research Center, and TOKYO LINTEC KAKO, INC.	
	14.4%★	LINTEC CORPORATION	
	59.7%★	LINTEC CORPORATION	
	181 cases★	LINTEC CORPORATION	 
	31%★ Decreased to 15 in FY2022 from 49 in FY2010	LINTEC CORPORATION (excluding the Ina Technology Center), TOKYO LINTEC KAKO, INC., and SHONAN LINTEC KAKO, INC.	
	30 cases★	LINTEC CORPORATION and TOKYO LINTEC KAKO, INC.	 
	100%	LINTEC CORPORATION	 
	100%	LINTEC CORPORATION	
	6 times	LINTEC CORPORATION	

#### STEP 4 Identify material issues

We identified material issues by using a map that shows societal needs and internal importance and discussing areas that are relevant in deciding the importance.

#### STEP 5 Set KPI

Based on the identified materiality, we set performance indicators for our activities and proceed with implementation.