

FY2022 Materiality Items KPIs Results

Legend
 Assessment against qualitative or medium- and long-term quantitative targets ↑: Improved ↓: Worsened →: No change
 Assessment against single fiscal year quantitative targets ○: Achieved ✕: Not achieved

	Materiality Items	Specific initiatives	KPIs and targets	Assessment	Status of Initiatives in FY2022
Environmental	Contribute to conserving the global environment (including climate change response)	Reduce the environmental impact of products and services	1 Develop environmentally-friendly products and services	↑	- Developed and provided environmentally-friendly products and services on a continuous basis
		Promote recycling	2 Recycling rate: 95% or more	○	98.3% (TATSUTA Electric Wire & Cable, Chugoku Electric Wire & Cable, and Tatsuta Tachii Electric Cable) *Including the TATSUTA Group companies in Japan from FY2022 Took action to increase the rate of utilization of recycled materials
		Promote energy saving	3 Promote investment to conserve resources and energy	↑	- Introduced solar power generation systems at three sites in Japan - Started reusing waste heat from deodorization equipment (in air conditioner reheaters) - Adopted energy-saving motors when renewing drive control systems - Automated lighting and air conditioning - Renewed to LED lightings, etc.
			4 Reduce expected effect of rationalization of energy use: 1% or more	○	Down 2.2% (TATSUTA Electric Wire & Cable) Reduced fossil energy consumption theoretically by 2.2% from the previous year by introducing renewable energy and renewing equipment to energy-efficient ones, etc.
			5 Reduce energy consumption by product intensity: 1% or more	✕	Up 8.9% (TATSUTA Electric Wire & Cable) Although we increased the efficiency of production facilities and made investments to save energy, lower production impacted the overall achievement.
		Pursue carbon neutrality	6 Net zero CO ₂ emissions by 2025 (Scope 1 and 2, at operational sites in Japan and affiliated companies)	↑	CO ₂ emissions: 6,365t (TATSUTA Electric Wire & Cable, Chugoku Electric Wire & Cable, and Tatsuta Tachii Electric Cable) (down 68% YoY) - The functional films business has been carbon neutral since April 2022. - Increased the amount of renewable energy by installing/adding solar power generation systems at three sites in Japan (TATSUTA Technical Center, Sendai Works, and Kyoto Works) - Progressively shifting to electrical power sourced from renewable energy and carbon-neutral LNG
Social	Provide advanced, high-quality products and services to benefit society	Develop products and services that resolve social issues and satisfy customer needs	1 Develop products and services related to resolving social issues	↑	- Developed products and services with high functionality to contribute to resolving social issues - Provided high value-added products and services leveraging our technological strength
			2 Enhance customer satisfaction	↑	- Maintained the stable supply system and expanded and enhanced the quality assurance system - Developed and launched high value-added products and services that meet social and customer needs - Prompt delivery, etc.
			3 Steadily implement BCP and BCMS	↑	- Renewed ISO 22301 (Business Continuity Management System: BCMS) certification, and obtained ISO 27001 (Information Security Management System: ISMS) certification, for the functional films business - The Electronic Materials & System Equipment Group conducted large-scale disaster trainings and supply chain BCP exercises, and worked for improvement. - Maintained and strengthened the Group BCM system and BCP, and promoted sustainable procurement
	Realize safe and fulfilling workplaces	Promote measures for safety and health	4 Zero serious accidents and accidents requiring time off work	✕	Zero serious accidents, three accidents requiring time off work, and zero serious accidents while commuting (TATSUTA Electric Wire & Cable) - Expanded the scope of hands-on danger education to Group companies - Invested for improving work environment - Conducted risk assessment workshops - Took measures to prevent accidents
			5 Increase the percentage of annual paid leave consumed to 80% or more	✕	75.0% (14.7 days) (TATSUTA Electric Wire & Cable), up from the previous fiscal year's level of 69.0% (13.1 days)
			6 Enhance education and training	↑	- Formulated the Human Resource Development Policy under the new personnel systems - Introduced Udemy Business, an on-demand video-based training program - Introduced DX training across the Company
			7 Maintain and increase proportion of employees with disabilities: 2.3% or more	○	3.15% (TATSUTA Electric Wire & Cable) as of June 1, 2023
	Promote diversity & inclusion	8 Increase proportion of female employees recruited: 25% or more	✕	18.2% (TATSUTA Electric Wire & Cable), up from the previous fiscal year's level (10.6%). Considering to hire women to work in new job domains	
		9 Ratio of female managers: 10% or more by the end of FY2025	→	7.8% (TATSUTA Electric Wire & Cable), almost unchanged from the previous fiscal year's level (7.5%). Considering a career development training program	
		10 Encourage participation in human rights education	↑	- Held a lecture on human rights on the theme of "Business and Human Rights," inviting an external advisor	
Coexistence and co-prosperity with local communities	Maintain good communication Contribute to local community promotion and next-generation development	11 Continue dialogue with local communities	↑	- Promoted sports through the basketball club in the amateur league - Lent out the TATSUTA's gymnasium for use by local sports organizations as a venue of practice sessions and regional competition games - Cooperated in local community events (exhibited at HANAZONO EXPO, held a booth at Kizugawa Minori Matsuri festival, etc.) - Donations through the hometown tax program (for "Citizens' festival" and "Support the Children's Future Project" of Kizugawa City) - Contributed to local communities through beautification activities around plants, etc., while having dialogue with local communities	
		12 Contribute to local community next-generation development programs	↑	- Contributed to the next-generation development activities by offering internship programs, work experience opportunities for junior high school students, and guest-teaching at elementary school classes.	
Governance	Thorough corporate governance	Business operations based on corporate governance guidelines Implement management systems (including risk management system) with certainty Strengthen education and training on compliance Implement an internal hotline system	1 Take ongoing action to meet the Corporate Governance Code	↑	- Took action to meet the Corporate Governance Code revised in FY2021 (Appointing one-third of members of the Board of Directors to be Independent Outside Directors, information disclosure based on TCFD Recommendations in June 2022)
			2 Steady operation of a company-wide management system (risk, quality, environment, information, etc.)	↑	- Grasped business environment risks accurately and took appropriate action - Revised and established rules concerning quality, environment, and information management systems - Provided education for internal audit personnel, revised checklists, etc.
			3 Promote participation in compliance training	↑	- Lecture by Osaka Prefectural Police on cyber security and information leak prevention - Conducted the first compliance training at a subsidiary in China - Workshop on the law amendment on childcare leave for fathers - Provided training concerning purchasing, intellectual properties, etc.