

Mitsui Kinzoku Group Sustainability Initiatives

We have compiled the progress of initiatives based on our materiality.

CSV standards (opportunities):  
Environmental and social standards of products  
The environmental contribution products system

Commitment (FY2024)  
Ensure voluntary applications for the system from business units each fiscal year

Targets (KPIs)  
Make the system work in full-scale

Related SDGs G9, G11, G12, G13

Plans for FY2023  
1. Operate LCA at Business Creation Sector  
2. Roll out LCA to other sectors  
3. Start certificating environmental contribution products in full-scale

Performance in FY2023  
1. To be implemented in FY2024 and onwards  
2. Discussed the rollout plan (Metals Sector, Mobility Sector)  
3. Conducted as planned

Self assessment 1. Δ 2. Δ 3. ○

Plans for FY2024  
1. Deploy and operate LCA at Business Creation Sector  
2. Roll out LCA to Metals Sector and Mobility Sector  
3. Evaluate and certify several environmental contribution products

ESG risk management frameworks  
The environmental and safety management systems

Commitment (FY2024)  
Continuously improve the management systems in accordance with ISO standards

Targets (KPIs)  
1. Continuously operate and update the ISO management system at major manufacturing sites  
2. Operate and improve the internal management system in accordance with ISO at small and non-manufacturing sites

Related SDGs G8, G9

Plans for FY2023  
1. Continue monitoring and improving the management systems at major manufacturing sites  
2. Continue implementing measures to address important issues related to environmental protection and occupational health and safety at small and non-manufacturing sites

Performance in FY2023  
1. Conducted as planned  
2. Conducted as planned

Self assessment 1. ○ 2. ○

Plans for FY2024  
1. Continue monitoring and improving the management systems at major manufacturing sites  
2. Continue implementing measures to address important issues related to environmental protection and occupational health and safety at small and non-manufacturing sites

Human rights due diligence

Commitment (FY2024)  
Conduct human rights DD based on the human rights policy, identify risks, and implement effective measures

Targets (KPIs)  
1. Complete human rights DD for 85% of 57 manufacturing & development sites and affiliated companies which are closely related to those sites  
2. Review survey results and improve the survey items

Related SDGs  
G1, G4, G5, G8, G10, G11, G16

Plans for FY2023  
1. Conduct DD at two affiliates overseas

Performance in FY2023  
1. Conducted as planned

Self assessment 1.○

Plans for FY2024  
1. Conduct DD at four affiliates overseas

Supply chain management

Commitment (FY2024)  
Effectively implement supplier DD to reduce critical risks in the supply chain

Targets (KPIs)  
1. Achieve the 100% annual SAQ implementation rate for the target suppliers  
2. Achieve the 100% engagement rate for corrective actions with C-ranked suppliers

Related SDGs G8, G12

Plans for FY2023  
1. Implement SAQ for target suppliers that have not yet responded to SAQ in the second cycle

[Assessment standards]

Δ: Not achieved as planned  
○: Achieved as planned  
◎: Achieved more than planned

2. Corrective actions for C-ranked suppliers  
3. (1) Prepare for supply chain risk assessments  
(2) Compute FY22 actual procurement spending using the new system, and restructure the supplier list using the results

Performance in FY2023  
1. Conducted for 84.9% of the target suppliers  
2. Conducted for four suppliers  
3. Conducted as planned

Self assessment 1. Δ 2. ○ 3. ○

Plans for FY2024  
1. Implement SAQ for suppliers that have not yet responded to SAQ  
2. Corrective actions for C-ranked suppliers  
3. Review the Procurement Guidelines and SAQ  
4. Consider Commitment, Targets(KPIs) and Plans, based on the Purpose

Mining business management

Commitment (FY2024)  
Reduce ESG risks specific to the mining business through appropriately managing materiality items

Targets (KPIs)  
1. Implement the Sustainability Action Plan for Mining Business at mining sites (including closed mines)  
2. Survey the operating mines with a capital ratio of >50% about human rights and environmental risk of mining business

Related SDGs  
G3, G4, G6, G7, G8, G9, G12, G13, G15, G16

Plans for FY2023  
1. Check the progress of FY23 initiatives and follow up on them. Verify the plan for FY24  
2. Review FY22 survey results and consider corrective actions (Akeshi, Santa Luisa)

Performance in FY2023  
1. Conducted as planned  
2. Conducted as planned

Self assessment 1. ○ 2. ○

Plans for FY2024  
1. Check the progress of FY24 initiatives and follow up on them. Verify the plan for FY25 (all business sites)  
2. Review FY23 survey results and consider corrective actions (Akeshi, Santa Luisa)

Materiality: ESG risk (Environment)

04 GHG emissions

Commitment (FY2024)  
Remain on track to achieve a 38% reduction in GHG emissions by FY30

Targets (KPIs)  
1. Scope1,2: Follow reduction targets  
2. Scope3: Reduce emissions in the priority categories  
3. Develop and implement climate change strategies  
4. Initiate forest offsetting activities

Related SDGs G13

Plans for FY2023  
1. (1) Continue and update TCFD scenario analysis internally  
(2) Continue disclosing TCFD-related information externally  
(3) Manage progress for GHG reduction targets of each sector (start operating CNRM)  
2. (1) Firmly establish the GHG emissions calculation mechanism in Japan and roll it out to overseas sites  
(2) Set GHG reduction targets in reference to SBTi standards and based on GHG emissions results  
3. Plan comprehensive climate change strategies in reference to TCFD recommendations  
4. Implement programs for all employees

Performance in FY2023  
1. Conducted as planned  
2.(1) Conducted as planned in Japan. Not yet initiated for Scope 3 at overseas sites  
(2) To be implemented in FY24  
3. Published as the CN transition strategy  
4. Conducted as planned

Self assessment 1. ○ 2. Δ 3. ○ 4. ○

Plans for FY2024  
1.(1) Continue and update TCFD scenario analysis internally  
(2) Continue disclosing TCFD-related information externally  
(3) Manage progress for GHG reduction targets of each sector and disclose information externally (firmly establish CNRM operations)  
2.(1) Firmly establish the GHG emissions calculation mechanism globally  
(2) Set GHG reduction targets in reference to SBTi standards and based on GHG emissions results  
3. Implement the CN transition strategy and disclose progress  
4. Implement programs for all employees

05 Energy management

Commitment (FY2024)  
1. Investigate the potential for utilizing renewable energy and promote its introduction  
2. Implement reduction goals set to replace those based on energy consumption

Targets (KPIs)  
1. 100% survey of new utilization of renewable energy  
2. Implement initiatives to achieve new reduction goals

Related SDGs G7, G9

Plans for FY2023  
1. (1) Set targets for non-fossil fuel energy usage rates and consider and implement measures to achieve the targets  
(2) Install equipment supporting renewable energy  
(3) Purchase green power  
2. Continue reducing energy consumption, enhance equipment guidelines and provide relevant briefings

Performance in FY2023  
1. Conducted as planned  
2. Conducted as planned

Self assessment 1. ○ 2.○

Plans for FY2024  
1.(1) Install renewable energy equipment  
(2) Consider a portfolio to procure environmental value  
2.(1) Share examples of effective energy-saving measures internally  
(2) Consider fuel conversion

06 Water management

Commitment (FY2024)  
1. Assess water stress at each site, optimize water withdrawn, and minimize consumption  
2. Ensure safe treatment of wastewater

Targets (KPIs)  
1. Reduce water consumption according to the result of the water stress assessment  
2. Zero discharge of untreated wastewater into public waters (excluding clean spring water, unpolluted storm water, and discharge to sewerage system)

Related SDGs G6

Plans for FY2023  
1. Continue to implement water 3R plan at priority sites and identify reduction effects using the environmental survey sheet for quantitative evaluation  
2. Continue to thoroughly manage operations and facilities related to quality control of discharged water to prevent incidents

Performance in FY2023  
1. Conducted as planned  
2. Conducted as planned

Self assessment 1. ○ 2. ○

Plans for FY2024  
1. Continue to implement the 3R water plan at sites with high water stress and identify reduction effects using the environmental survey sheet for quantitative evaluations. Install meters for use according to the plan and continue quantitative monitoring of 3R  
2. Continue to thoroughly manage operations and facilities related to the quality control of discharged water to prevent incidents

07 Waste and hazardous materials

Commitment (FY2024)  
1. Strive to reduce using hazardous chemical substances and treat them appropriately, and minimize their release into the environment  
2. Play a role in a resource-cycling society by using recycled materials and reducing waste at each business unit

Targets (KPIs)  
1. Hazardous chemical substances  
Identify the amount of emissions and transfers at each major site and set reduction targets  
2. Promote recycling and waste reduction  
(1) Identify the final disposal volume of waste (not utilized in 3R and thermal recycle) at major sites, and set reduction targets  
(2) Identify the ratio of recycled materials and set targets, or optimize the ratio at each site  
(3) Select well-reputed waste disposal companies, and confirm they treat properly

Related SDGs G12

Plans for FY2023  
1. Continue to set reduction targets for substances to manage with priority and manage progress for specific reduction measures at target sites  
2. (1) Continue to share Group's good practices of the effective use of waste (3R and thermal recycle) and expand effective use  
(2) Continue to aggregate/disclose the ratio of recycled materials using the environmental survey sheet  
(3) Select well-reputed waste disposal companies in each area. Make an on-site inspection visit to selected companies to confirm legal compliance, appropriateness of processing procedures  
(4) Set goals for plastic waste reduction and utilization at each site. Start initiatives to reduce the amount of waste and promote 3R activities

Performance in FY2023  
1. Conducted as planned  
2.(1) Conducted as planned  
(2) Conducted as planned  
(3) Conducted on-site inspection visits, starting with disposal sites where restrictions due to COVID-19 were lifted  
(4) Conducted as planned

Self assessment 1. ○ 2. ○



**Plans for FY2024**  
1. Continue to set reduction targets for substances to manage with priority and oversee progress for specific reduction measures at each site  
2.(1) Continue to share the Group's good practices on the effective use of waste and expand effective use  
(2) Continue to aggregate/disclose the ratio of recycled materials using the environmental survey sheet  
(3) Select well-reputed waste disposal companies in each area. Continue to make an on-site inspection to selected companies to confirm legal compliance, appropriateness of processing procedures  
(4) Continue to implement Group's plastic-related initiatives, and start considering plastic-related policies and targets for after the next Mid-term Plan

08 Impacts on biodiversity

**Commitment (FY2024)**  
1. Identify impacts of our business activities on biodiversity and prevent environmental damage  
2. Effort to restore the ecosystem where we have directly developed

**Targets (KPIs)**  
1. Evaluate the impacts on ecosystems at sites and implement countermeasures  
2. Restoration by planting trees on the land we have directly developed

**Related SDGs** G14, G15

**Plans for FY2023**  
1. At each site, identify impacts of business activities on local ecosystems and implement measures to reduce the impacts  
2. Continue to plan and manage the progress of planting or other restoration on developed land. Continue using products conducive to biodiversity conservation

**Performance in FY2023**  
1. Conducted as planned  
2. Conducted as planned

**Self assessment** 1. ☐ 2. ☐

**Plans for FY2024**  
1. At each site, identify impacts of business activities on local ecosystems and implement measures to reduce the impacts  
2. Plan and manage the progress of planting or other restoration on developed land. Use products conducive to biodiversity conservation  
3. Hold in-house training sessions to promote understanding of the TNFD, and grasp the overall picture of the impact and dependence of business activities on biodiversity in preparation for TNFD disclosure

Materiality: ESG risks (Social)

09 Health and safety

**Commitment (FY2024)**  
1. Maintain a safe, hygienic, and healthy work environment where all employees can work worry free  
2. Eliminate serious accidents

**Targets (KPIs)**  
1. Safe, hygienic, and healthy workplace  
(1) Reduce the number of accidents resulting in no lost time or more <30  
(2) Reduce the number of occupational accidents/diseases <10, especially for new employees (<1 years of employment), senior employees (>60 years old) and foreign-national employees  
2. Eliminate serious accidents  
(1) Reduce to zero: the number of serious accidents (fatal accidents)  
(2) Reduce to zero: the number of accidents that cause irreversible physical sequelae  
(3) Hazard simulation training

**Related SDGs** G8

**Plans for FY2023**  
1. (1) Determine whether to adopt physical condition monitoring using biometric sensors at a model workplace  
(2) New employees: Prioritize focus workers to participate in hazard awareness training; regularly conduct interviews by forepersons; continue dialogue with the head of the sector

Senior employees: Make improvements from the perspective of senior employees based on the results of a workplace survey at a model workplace

Foreign-national employees: Install graphic warning signs; create training materials and work manuals in the languages used at sites

2. (1) Expand the sources of hazards covered by the lockout system; share good examples of the lockout system at each site; Check operation status with ISO45001 internal audits and safety audits  
(2) Enforce the Mitsui Kinzoku Safety Standards (chemical injuries, hypoxia)  
(3) Conduct VR hazard awareness training and support individual training at each site

**Performance in FY2023**  
1. (1) Implemented vital sensing on a trial basis at some workplaces to prevent heat stroke  
(2) Conducted as planned  
2. Details on P.68  
(1) Conducted as planned  
(2) Conducted as planned  
(3) Conducted as planned

**Self assessment** 1. ☐ 2. ☐

**Plans for FY2024**  
1. (1) Roll out good examples related to wearable devices  
(2) New employees: Continue preferential treatment in hazard awareness training, while taking into account actual working conditions; regularly conduct interviews by forepersons; continue dialogue with the head of the sector

Senior employees: Make improvements from the perspective of senior employees based on the results of a workplace survey at a model workplace

Foreign-national employees: Promote installing graphic warning signs; promote creating training materials and work manuals in the languages used at sites, taking into account the actual working conditions

2. (1) Expand the sources of hazards covered by the lockout system and strengthen the lockout system; address hazards from residual energy (gas pressure, hydraulic pressure, water pressure, etc.) and liquid chemicals (valves, pumps, etc.); roll out good examples of the lockout system at each site; check operation status with ISO45001 internal audits and safety audits

(2) Improve the intrinsic safety of equipment and conduct thorough preventive maintenance; enhance the Mitsui Kinzoku Safety Standards  
(3) Enhance hazard awareness training; conduct on-demand VR hazard awareness training; support hazard awareness training at each site

10 Human rights

**Commitment (FY2024)**  
Implement the Group's mitigation measures for human rights risks identified in human rights DD

**Targets (KPIs)**  
1. Based on the results of human rights DD, identify priority theme and formulate policies/procedures  
2. Design a human rights training program that includes the policies/procedures, and deploy it within the Group

**Related SDGs** G1, G4, G5, G8, G10, G11, G16

**Plans for FY2023**  
1. Create action policies for protecting human rights of foreign-national employees and implement risk mitigation measures  
2. Design and implement systematic human rights training programs

**Performance in FY2023**  
1. Conducted as planned  
2. Completed the design of human rights training programs to be provided to all employees

**Self assessment** 1. ☐ 2. ☐

**Plans for FY2024**  
1. Consider detailed rules on respect for the human rights of foreign-national employees and implement corrective measures  
2. Implement human rights training programs

11 Fair business practices

**Commitment (FY2024)**  
Establish a global anti-bribery system and a PDCA cycle for fair business practices

**Targets (KPIs)**  
All Group employees are aware of the prohibition of bribery and fair business practices

**Related SDGs** G16

**Plans for FY2023**  
1. Roll out initiatives to overseas sites excluding the Asia region (Morocco, Mexico, Peru, India)  
2. (1) Continue providing MLP-based training on the Antimonopoly Act and Subcontract Act  
(2) Enhance applying rules for application/reporting for meeting with competitors

**Performance in FY2023**  
1. Almost completed in Morocco and Peru: ongoing rollout in Mexico and India  
2.(1) Conducted as planned  
(2) Established and started operating rules at sectors in which no such rules had been in place

**Self assessment** 1. ☐ 2. (1) ☐ (2) ☐

**Plans for FY2024**  
1. Roll out initiatives to overseas sites in regions other than Asia (US, UK)  
2.(1) Continue providing MLP-based training on the Antimonopoly Act and Subcontract Act  
(2) Enhance applying rules for application/reporting for meeting with competitors

Materiality: ESG risks (Governance)

12 Governance

(including Compliance and ICT Governance)

**Commitment (FY2024)**  
1. Enhance corporate governance  
(1) Establish a system that the Board of Directors effectively supervises the initiatives for medium- and long-term issues by the execution  
(2) Regular risk assessment to enhance the risk management function  
2. Compliance system  
(1) Establish compliance awareness system at all sites  
(2) Operate the whistle-blowing system for internal and external stakeholders  
3. ICT Governance  
Establish an information management system in all sectors  
4. Information disclosure and transparency  
Establish a management system for information disclosure

**Targets (KPIs)**  
1. (1) Share information on the status of initiatives for the medium- and long-term issues with Directors, and ensure timely and appropriate discussions of issues at the Board of Directors  
(2) Establish a risk management system to identify risks, formulate countermeasures and evaluate them on an annual basis  
2. Ensure that all Group employees are aware of compliance  
3. Minimize the risk of information leaks due to management weakness  
4. Establish disclosure standards and a prompt and fair information disclosure system

**Related SDGs** G16

**Plans for FY2023**  
1. (1) Strengthen responses to individual items of the revised CG Code; improve operation based on the evaluation of the effectiveness of the Board of Directors; enhance information disclosure via the Securities Report  
(2) Roll out the risk map; conduct risk reduction activities and check the effects; prepare for risk management surveys to be conducted for the next Mid-term Plan  
2. (1) Consider and implement compliance promotion measures in Europe and the Americas  
(2) Revise the Compliance Guidebook (add descriptions for the Purpose, Vision, respect for human rights, supply chain due diligence and diversity)  
3. (1) Continue reviewing ICT-related rules  
(2) Enhance information management system linked with production technology enhancement  
(3) Build information management systems at overseas affiliates

(4) Risk assessment of systems at each site  
(5) Build a system-based control mechanism regarding detailed rules for ICT use  
4. Consider adding new items to information disclosure policy

**Performance in FY2023**  
1. (1) Conducted as planned  
(2) Conducted as planned  
2. (1) Conducted as planned  
(2) Changed the plan and considered the revision of the Code of Conduct  
3. (1) Conducted as planned  
(2) Worked to enhance information management system linked with production technology enhancement. Progress is being made but goals have not yet been achieved  
(3) Deployment to overseas affiliates not achieved  
(4) Conducted as planned  
(5) Conducted as planned. Built a control mechanism for two-thirds of the targeted systems  
4. Conducted as planned

**Self assessment**  
1. (1) ☐ (2) ☐ 2. (1) ☐ (2) ☐ 3. (1) ☐ (2) ☐ (3) ☐ (4) ☐ (5) ☐ 4. ☐

**Plans for FY2024**  
1. (1) Strengthen responses to individual items of the revised CG Code, improve operation based on the evaluation of the effectiveness of the Board of Directors, establish and implement the governance system as a company with an Audit & Supervisory committee  
(2) Develop and implement a plan for risk reduction activities, conduct a risk survey of all sites for the next Mid-Term Plan, create a risk map based on the identified risks and strengthen management  
2. (1) Consider and implement compliance promotion measures in Europe and the Americas  
(2) Revise the Code of Conduct (reflect the Purpose and Vision, and add descriptions of sustainability, etc.)  
3. (1) Continue reviewing ICT-related rules  
(2) Enhance the information management system in tandem with production technology enhancements  
(3) Establish an information management system at sites in Japan where no such system has been established, and implement audits at sites with such systems in place  
(4) Conduct risk assessments of systems at each site  
(5) Build a system-based control mechanism regarding detailed rules for ICT use  
4. Check the effectiveness of the information aggregation system

Initiatives supporting the progress of the materiality (Capital for value creation)  
Human capital

Diversity

**Commitment (FY2024)**  
Realize a corporate Group in which diverse human resources demonstrate their abilities

**Targets (KPIs)**  
1. Change the human resources system so that diverse human resources demonstrate their abilities, regardless of age, gender, or other personal attributes

2. Create a workplace in which diverse human resources can continue to work  
- Percentage of sites with maintained/improved *Ikiiki* active engagement (engagement indicator) >20%  
- Percentage of sites with maintained/improved respect for diversity (based on employee surveys) >30%  
- Percentage of women in the total number of new hires >20%  
- Percentage of women in the total number of regular employees >26%  
- Percentage of women in managerial positions >5%  
- Percentage of women in leadership positions >12%  
- Rate of parental leave taken by male employees >30%  
- Obtain certifications for *Eruboshi*, *Kurumin*, and *Nadeshiko*  
3. Establish an internal dissemination system; share information on a regular basis and introduce the systematic diversity training plan

**Related SDGs** G4, G5, G8

**Plans for FY2023**  
1. Continue working to firmly establish the new human resources system operations and keep holding dialogues for internal familiarization  
2.  
- Increase PR activities for mid-career recruitment  
- Implement a model project, “Creation of a workplace where it is easy for anyone to take leave”\* at selected sites  
- Obtain *Eruboshi* certification  
- Plan and conduct women's networking sessions  
- Create and distribute the Parental Leave Handbook; hold briefing sessions for managers on taking parental leave by male employees  
- Launch the employee engagement assessment program, and roll out best practices  
\*Name of the project changed from the previous fiscal year  
3. Provide unconscious bias training, training for female employees and their superiors, harassment training, and training for persons responsible for administrative and personnel affairs

**Performance in FY2023**  
1. Conducted as planned  
2. Conducted as planned  
3. Conducted as planned

**Self assessment** 1. ☐ 2. ☐ 3. ☐

**Plans for FY2024**  
1. Review the implementation status of the systems during the 22 Mid-Term Plan and improve the systems  
2. Provide harassment training and training for persons responsible for administrative and personnel affairs at each site  
3. Launch the employee engagement assessment program for each division/sector, initiate rollout to overseas sites, roll out best practices and support employee engagement efforts  
4. Enhance the content of diversity management training, increase the attendance rate of targeted employees to 70%  
5.  
- Increase PR activities for mid-career recruitment, obtain *Kurumin* and *Nadeshiko* certifications  
- Expand the project “Creation of a workplace where it is easy for anyone to take leave” to other sites



- Hold female employee exchange meetings
- Conduct training for female employees and their superiors, hold briefing sessions for managers on taking parental leave by male employees
- Introduce new support programs such as childcare and nursing care support

## Health management

### Commitment (FY2024)

Support realizing a workplace and physical and mental health for all employees to work at the forefront as they age

### Targets (KPIs)

1. Preventive measures for mental and physical health risks
  - Maintain and raise health literacy
  - Reduce the ratio of high-stress employees to the average ratio reported by the research company by the end of FY24
2. Measures for high-risk/high-stress employees
  - Raise and maintain the Group's specific health guidance implementation rate to 35% or more by the end of FY24
  - Introduce a system to support the balancing of treatment and work

**Related SDGs**   G3, G8

### Plans for FY2023

1.
  - Disseminate the health management commitment; continue implementing group-wide training and events
  - Implement measures to achieve health management targets
  - Provide feedback on stress check results to each workplace; continue selecting priority workplaces and hearing from, checking the progress of improvement at, and providing support at selected workplaces
2.
  - Maintain the Group's specific health guidance implementation rate at 35% or more
  - Reconsider introducing systems to support employees in balancing medical treatment and work
  - Introduce and operate EAPs for mental health support

### Performance in FY2023

1. Conducted as planned
  2.
    - Maintained at some sites
    - Removed the limit of half-day annual paid leave
- Conducted as planned (use rate: 1.7%)

**Self assessment**   1. ○   2. △

### Plans for FY2024

1.
  - Internally and externally disseminate the health management commitment
  - Provide feedback on results to each workplace, and continue selecting priority workplaces, conducting interviews, checking their improvement progress, and providing support at selected workplaces
  - Continue implementing group-wide training and events

2.
  - Maintain the Group's specific health guidance implementation rate at 35% or more during the 22 Mid-Term Plan
  - Consider systems to support employees in balancing medical treatment and work
  - Operate EAPs for mental health support and analyze use status
  - Implement initiatives to encourage lifestyle behavior modification

## Human resources development

### Commitment (FY2024)

Develop employees who have their own will for value creation

1. Support self-motivated career development and capacity development and implement development measures for value creation
2. Provide employees with global and equal learning opportunities

### Targets (KPIs)

1. Training measures for value creation
  - Implement the new performance-based human resources system (the new HR system) and execute succession plans with greater HRBP functions
  - Build systems for employees' self-motivated career development
  - Adopt ICT tools to provide employees with more convenience and equitable learning opportunities
  - Provide learning formats and contents that support self-motivated career development
  - Provide contents that incorporate sustainability
2. Continue to open each training program to group-wide employees of affiliates and national staff and enhance the contents

**Related SDGs**   G4, G8

### Plans for FY2023

1.
  - Implement human resources allocation/succession plans
  - Properly operate and improve the new HR system; promote and expand usage of one-on-one meeting across the group
  - Review and improve the HR development systems
  - Implement systems for self-motivated career development; conduct career training; consider development of career consulting systems
  - Conduct training on the Purpose, integrated thinking-based management, and SDGs
  - Continue ICT training
2. Consider resuming training for national staff

### Performance in FY2023

1. Conducted as planned
2. Conducted as planned

**Self assessment**   1. ○   2. ○

### Plans for FY2024

1.
  - Execute succession plans
  - Properly operate and improve the performance-based HR system
  - Implement systems for self-motivated career development
- Conduct career training

- Promote and expand usage of one-on-one meetings across the Group
  - Consider developing career consulting systems
  - Review and improve the HR development systems
  - Conduct training on the Purpose, integrated thinking-based management, and SDGs
  - Continue ICT training
  - Conduct management training for senior management
2. Clarify issues concerning national staff training

### Intellectual capital

## Intellectual property

### Commitment (FY2024)

1. Build a system for IP activities and IP governance for long-term value creation
2. Acquire IP and protect technologies to support business and new initiatives related to the environment and energy
3. Develop human resources through IP education that matches the type of job and rank

### Targets (KPIs)

1.
  - Reorganize and build systems for governance (respond to the revised CG Code)
  - Maintain the number of IP specialists assigned to each sector
  - Share internal IP information
  - Regularly disclose information externally (once a year) through the Integrated Report and the corporate website
2.
  - Practice IPL to support creation of new business opportunities (value) related to material cycle and CASE
  - The number of patent applications from each sector should be equal to or greater than that of the previous year; increase the number of departments that use time stamps
3. Continue group-wide IP education and enhance initiatives to employ and develop IP specialists

**Related SDGs**   G4, G9

### Plans for FY2023

1.
  - Ensure operating reorganized IP-related functions
  - Report to executives results of surveys and analyses conducted on group-wide IP-related technical issues
  - Share IP information with the Board of Directors and start relevant discussions in response to the revised CG Code, and prepare for disclosing information
2.
  - Continue surveys and analyses on group-wide technical issues and expand the coverage
  - Enhance IPL tools; build dedicated survey and planning functions
  - Utilize IP data in the R&D/business/IP divisions
3.
  - Further improve hybrid training
  - Build education systems for IP specialists and dispatch such specialists to external institutions

### Performance in FY2023

1. Conducted as planned
2. Conducted as planned
3. Conducted as planned

**Self assessment**   1. ○   2. ○   3. ○

### Plans for FY2024

1.
  - Ensure the stable operation of restructured IP-related organizations
  - Strengthen the IP governance system and disseminate information on its operational situation
  - Improve the level of IP information for external stakeholders
  - Introduce the next software for IP operation and stabilize it
2.
  - Continue and expand survey and analysis of technical issues group-wide
  - Further strengthen IPL activities
  - Consider DX of IP operations and improve operational efficiency through continuous trials
3.
  - Provide practical and pragmatic training programs for R&D and engineering staff
  - Build education systems for IP specialists and dispatch such specialists to external institutions

## Quality assurance

### Commitment (FY2024)

Contribute to society and customers by optimizing the quality of products and services

1. Maintain a compliance system in line with the QAGL
2. Provide customers and society with information on product functions, costs, health and safety, and sustainability (e.g. environmental and social impacts)
3. Start design and development considering function, cost, health and safety, and sustainability
4. Disclose the status of initiatives annually

### Targets (KPIs)

1. Establish and operate a system for evaluation using the QAGL check sheet at target sites in Japan and overseas: 100%
2. All business units conduct evaluations using the "Information Provision Check Sheet" and implement guidelines: 100%
3. Evaluate all products and services using the Product and Service Design and Development Check Sheet: 100%
4. Disclose the initiatives through the Integrated Report and the corporate website (once a year)

**Related SDGs**   G3, G6, G8, G9, G12

### Plans for FY2023

1.
  - Establish systems and confirm operations through audits at sites in Japan and overseas
  - Review audit results and the QAGL
2.
  - Establish information provision GL/CS
  - Continue research on relevant laws and regulations in each country; confirm the situation excluding US and China
3.
  - Establish product design/development GL/CS
  - Participate in operating the environmental contribution products system
4.
  - Continue to disclose the initiatives and consider disclosure by other means

### Performance in FY2023

1. Conducted as planned
- Internal audits at 17 sites in Japan and overseas

2. Conducted as planned
  - Working team developed the first draft of information provision GL/CS
  - Confirmed the situation in US and other regions
3.
  - To be conducted in FY24
- Participated in the First Environmental Contribution Products Certification Commission
4. Conducted as planned

**Self assessment**   1. ○   2. ○   3. △   4. ○

### Plans for FY2024

1.
  - Establish systems and confirm operations through audits at sites in Japan and overseas
  - Establish self-inspection systems at overseas sites
2.
  - Operate and review information provision GL/CS
  - Complete research on relevant laws and regulations in each country, confirm the situation globally
3.
  - Establish product design/development GL/CS
- Continue participating in operating the environmental contribution products certification system
4.
  - Continue to disclose information on the initiatives undertaken and consider disclosing information by other means

### Social and relationship capital

## Community engagement

### Commitment (FY2024)

1. Continue current social activities and brush them up through engagement
2. Promote volunteer activities by employees
3. Contribute to sustainable consumption

### Targets (KPIs)

1. Initiate engagement
2. Provide a platform for volunteer activities
3.
  - Use locally produced foods at cafeterias and in-house stores at the sites
- Implement measures to reduce food loss in the cafeterias and the in-house stores
- Switch office supplies to green procurement

**Related SDGs**   G12, G13, G17

### Plans for FY2023

1.
  - Exchange opinions with each site
2.
  - Research on corporate afforestation activities in target areas
3.
  - Confirm the situation of local-production-local-consumption procurement using internal surveys
- Aggregate purchasing data of green/ethical products from internal surveys

### Performance in FY2023

1. Conducted as planned. Held briefing sessions for section managers in charge of general affairs at each site
2. Conducted as planned
3. Conducted as planned

**Self assessment**   1. ○   2. ○   3. ○

### Plans for FY2024

1. Held discussions with each site about social contribution activities based on the actual status survey results
2. Conduct coordination with areas where corporate afforestation activities can be implemented
3.
  - Survey food loss situation in company cafeterias and dormitories, and where food waste is disposed of
- Continue to manage the purchasing of green/ethical products