Materiality Items

The TATSUTA Group pursues higher corporate value through sustainability management, and has identified "materiality items (key sustainability issues)" with the aim of achieving the sustainable development of our businesses and society.
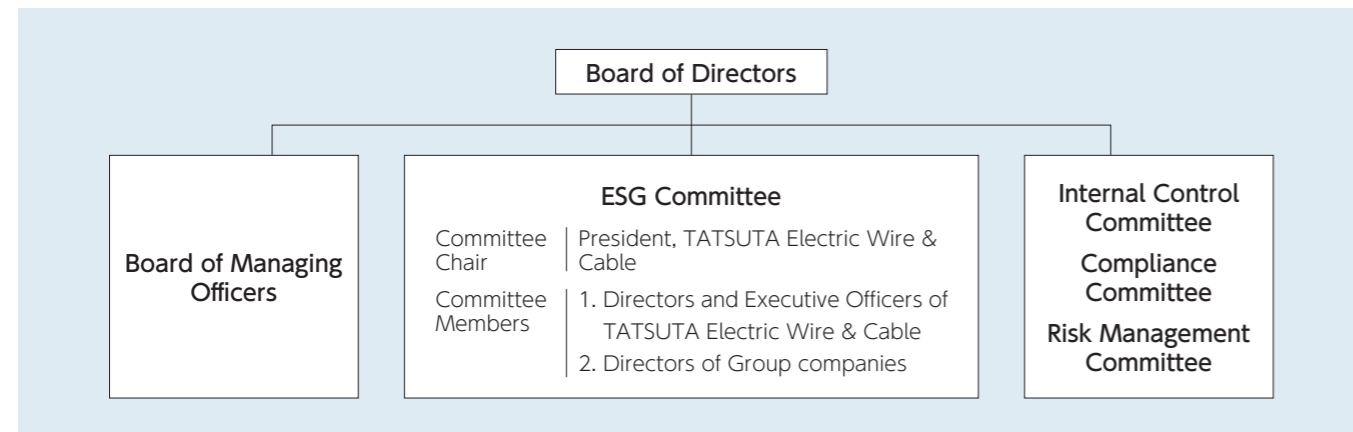
■ Materiality Identification Process

In 2020, we launched the ESG Committee to oversee all sustainability activities and identified the TATSUTA Group's materiality items (key sustainability issues). We will continue to regularly validate and update these materiality items.

STEP 1	STEP 2	STEP 3
Identify expectations and demands of stakeholders	Deliberation by ESG Committee	Decision on materiality items

■ Sustainability Promotion System

The TATSUTA Group has established an ESG Committee chaired by the President & Representative Director to promote sustainability management across the Group. The ESG Committee is positioned alongside the Board of Managing Officers and Internal Control Committee as a meeting body under the direct control of the President & Representative Director. The Administration and Human Resources Department and Corporate Planning and Coordination Department, which act as the Committee's secretariat, coordinate with the various business divisions by setting sustainability targets, monitoring their progress, and evaluating achievements.

Board of Directors

- **Board of Managing Officers**
- **ESG Committee**
  - Committee Chair: President, TATSUTA Electric Wire & Cable
  - Committee Members:
    1. Directors and Executive Officers of TATSUTA Electric Wire & Cable
    2. Directors of Group companies
- **Internal Control Committee**
  - Compliance Committee
  - Risk Management Committee

■ TATSUTA Electric Wire & Cable Group Materiality Items

	Materiality Items	Specific initiatives	KPIs and targets	Relationship with SDGs
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	
		Promote recycling	2 Recycling rate: **95**% or more	
			3 Promote investment to conserve resources and energy	
		Promote energy saving	4 Reduce expected effect of rationalization of energy use: **1**% or more *Annual reduction was calculated for FY2022. Since FY2023, an average over three years has been monitored following a revision of the KPI.	
			5 Reduce energy consumption by product intensity: **1**% or more	
		Pursue carbon neutrality	6 Net zero CO_2 emissions by 2025 (Scope 1 and 2, at operational sites in Japan and affiliated companies)	
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	
		Strengthen quality assurance and BCP systems	2 Enhance customer satisfaction	
			3 Steadily implement BCP and BCMS	
	Realize safe and fulfilling workplaces	Promote measures for safety and health	4 Zero serious accidents and accidents requiring time off work	
			5 Increase the percentage of annual paid leave consumed to **80**% or more	
		Nurture human resources to drive sustainable growth	6 Enhance education and training	
			7 Maintain and increase proportion of employees with disabilities: **2.3**% or more	
		Promote diversity & inclusion	8 Increase proportion of female employees recruited: **25**% or more	
			9 Ratio of female managers: **10**% or more by the end of FY2025	
	Respect human rights	Promote awareness-raising activities to foster respect for human rights	10 Encourage participation in human rights education	
	Coexistence and co-prosperity with local communities	Maintain good communication	11 Continue dialogue with local communities	
		Contribute to local community promotion and next-generation development	12 Contribute to local community next-generation development programs	
Governance	Thorough corporate governance	Business operations based on corporate governance guidelines	1 Take ongoing action to meet the Corporate Governance Code	
		Implement management systems (including risk management system) with certainty	2 Steady operation of a company-wide management system (risk, quality, environment, information, etc.)	
		Strengthen education and training on compliance	3 Promote participation in compliance training	
		Implement an internal hotline system		