

Materiality Items (Key Sustainability Issues)

TATSUTA has identified its materiality items (key sustainability issues) with the aim of engaging seriously in issues through sustainability management while pursuing the enhancement of its corporate value, to contribute to the sustainable development of its business and society.

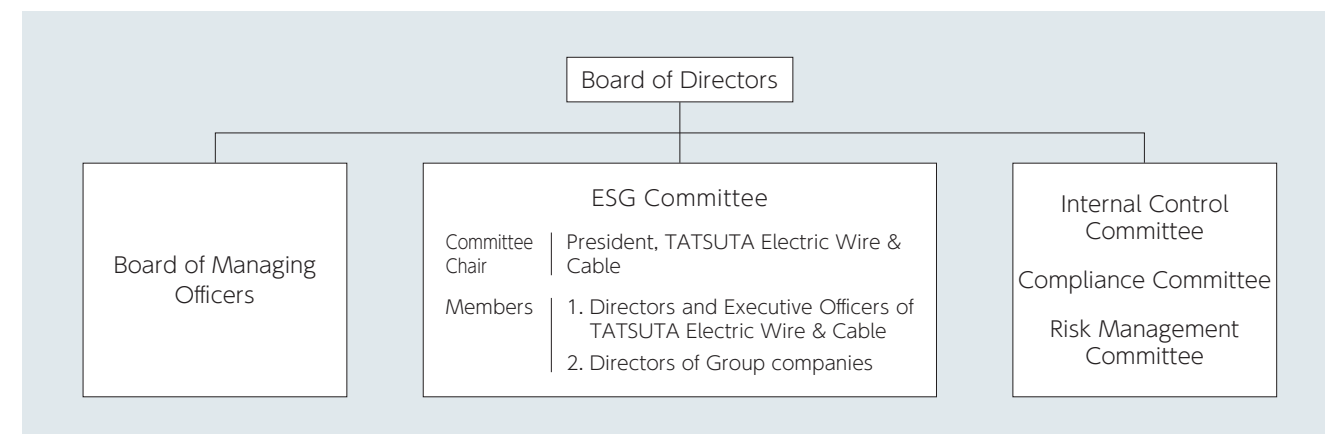
Materiality Identification Process

In 2020, we launched the ESG Committee to oversee all of the company's sustainability activities and formulated the TATSUTA Group's materiality items (key sustainability issues). We will strive to build relationships of trust with our stakeholders by incorporating these materiality items into our management issues and verifying them regularly.



Sustainability Promotion System

We have established an ESG Committee chaired by the President to promote sustainability management across the entire Group. The ESG Committee is positioned alongside the Management Committee and Internal Control Committee as a meeting body under the direct control of the President and Executive Officer. 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 on the ongoing roll-out of sustainability measures by setting sustainability targets, monitoring their progress, and evaluating achievements.



	Social Issues	Materiality Items	Specific Initiatives	KPIs	Relationship with SDGs
Environmental	<ul style="list-style-type: none"> Conservation of energy and resources Climate change countermeasures Conservation of biodiversity, forests, and oceans, and other environments 	1. Contribute to conserving the global environment (including climate change response)	<ol style="list-style-type: none"> Reduce the environmental impact of products and services Promote recycling Promote energy saving Pursue carbon neutrality 	Develop environmentally-friendly products and services	
				Promote investment to conserve resources and energy	
				Recycling rate: 95% or more	
				Reduce energy consumption by product intensity: 1% or more	
Social	<ul style="list-style-type: none"> Hunger, poverty, health Education Gender equality, peace and justice Respect for human rights and diversity Safety and disaster prevention International cooperation for sustainable economic growth Decline in birth rate and aging population, labor shortages, work style reform New lifestyles 	1. Provision of advanced, high-quality products and services to benefit society	<ol style="list-style-type: none"> Develop products and services that resolve social issues and satisfy customer needs Strengthen quality assurance and BCP systems 	Develop products and services to contribute to resolving social issues	
				Enhance customer satisfaction	
				Steadily implement BCP and BCMS	
				Zero serious accidents, zero accidents requiring time off work	
				Increase the percentage of annual paid leave consumed to 80% or more	
				Enhance education and training	
				Maintain and increase proportion of employees with disabilities: 2.3% or more	
Governance	<ul style="list-style-type: none"> Fair corporate activities Management transparency Prevent scandals and handle appropriately if they occur 	1. Thorough corporate governance	<ol style="list-style-type: none"> 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 	Steady operation of a company-wide management system	
				Promote participation in compliance training	
				Take ongoing action on corporate governance	