





Materiality (Key Issues)

		Social Issues/Megatrends	Opportunities and Risks				
Business Operations		<ul style="list-style-type: none"> ● Providing both innovations in automotive technology (BEVs, CASE) and a safe and secure mobility society ● Changes in company competitiveness with accelerating digital/IT transformation 	Expansion of CASE (BEV/FCEV) market	BEV expansion to bring new products to market	Risk	Opportunity	
				Support for BEV leading markets and BEV leading OEMs	Risk	Opportunity	
				Expansion of FCEV market		Opportunity	
				Advancement of technology for preventing traffic accidents		Opportunity	
			Expansion of MaaS market	Change in the way that users value and relate to their cars	Risk	Opportunity	
			Market changes	Market changes due to infrastructure improvements and laws and regulations in emerging countries		Opportunity	
			Accelerate adoption of digitalization, IoT, and DX	Increased production efficiency (automation and reduced workforce)		Opportunity	
Management Base		<ul style="list-style-type: none"> ● Increasingly serious problems in the global environment ● Business transformation due to climate change and resource shortages 	Environment and resources	Market expansion in new fields through green technology*	Risk	Opportunity	
				Change in competitiveness due to adoption of carbon pricing	Risk	Opportunity	
				Full utilization of rubber and plastic materials and development of materials (lighter weight, material replacement, higher durability, and new materials)	Risk	Opportunity	
				Large-scale disasters due to extreme weather conditions	Risk	Opportunity	
					Reduction of energy costs due to implementation of energy-saving initiatives		Opportunity
		<ul style="list-style-type: none"> ● Demographic changes (declining birthrate and aging population) ● Changing values and diversifying work styles 	Human capital	D&I for diversification of thinking, skills, and experience		Opportunity	
				Human resource portfolios for efficient use of human capital (including re-skilling)		Opportunity	
					Rising global labor costs	Risk	
		<ul style="list-style-type: none"> ● BCP risks ● Rising geopolitical risks 	Supply chain	Production impact, supply chain disruptions, and human casualties due to geopolitical risks, infectious diseases and disasters	Risk	Opportunity	
				Rising raw material costs, material shortages	Risk		
					Serious quality issues and recalls	Risk	
Governance					Cyberattacks and scam emails	Risk	
			Leakage of confidential information	Risk			
			Antitrust law violations (bid rigging and cartels)	Risk			

* Green technology: Technologies and products that solve or mitigate environmental problems (e.g., technologies and products that contribute to more lightweight designs and decarbonization)