








# Materiality (Key Issues)

	Related social issues	Materiality (key issues)	Major initiatives	Most crucial fields in related SDGs
Business activities	Provide both innovations in automotive technology (BEVs, CASE) and a safe and secure mobility society	Respond to the transformation of automobiles  Achieve a safer and more comfortable mobility society by reducing the number of traffic fatalities	<b>Development of new products for BEVs</b> <ul style="list-style-type: none"> <li>Development of advanced safety technology, higher added value of steering wheel grips</li> <li>Next-generation decoration (decorative lighting, hot stamps, etc.), forward-looking interiors</li> <li>Cooling system for battery cooling and heat management</li> </ul> <b>Development and sales of airbags that deliver safety, comfort, well-being and the environment to all</b> <ul style="list-style-type: none"> <li>Enhanced protection performance</li> <li>Development of crash safety systems in combination with seatbelts</li> <li>Development of various simulation technologies</li> <li>Creation of a production network for the spread of airbags in developing countries (India, Southeast Asia, etc.)</li> </ul>	
	Changes in company competitiveness with accelerating digital/IT transformation	Create new businesses that utilize core technologies	<b>Building environmentally-friendly businesses leveraging our knowledge in the fields of rubber and plastics</b> <ul style="list-style-type: none"> <li>Expansion of material recycling, including reuse of plastic waste material and desulfurization and regeneration</li> <li>Development of products that use CNF-reinforced plastic</li> </ul> <b>Expand new businesses using our new business development experiences</b> <ul style="list-style-type: none"> <li>Development of hydrogen tanks for commercial vehicles</li> <li>Development of water purification units and air and surface sterilization using UV-C (deep ultraviolet) LEDs</li> <li>Development of GaN power devices (Ministry of the Environment CO<sub>2</sub> reduction project)</li> <li>Development of smart insoles using e-Rubber</li> <li>Leveraging our core technologies for innovation: Corporate venture capital</li> <li>Creation of products through company collaboration using recycling (expand Re-S brand)</li> </ul>	
Management base	Increasingly serious problems in the global environment	Contribute to decarbonized societies by reducing emissions of CO <sub>2</sub> and other greenhouse gases  Contribute to circular societies by reducing waste and water risks	<b>Group-wide global activities for carbon neutrality</b> <ul style="list-style-type: none"> <li>Reduction of energy consumption with greater efficiency through daily <i>kaizen</i> and by innovating production engineering using IoT, AI</li> <li>Aggressive use of renewable energy</li> <li>Making lighter weight products for better fuel efficiency (minimize CO<sub>2</sub> during use)</li> <li>Design for easy disassembly (promote recycling, minimize waste)</li> <li>Facility investment decisions that balance economics and the environment through the introduction of ICP</li> <li>Horizontal deployment of measures to reduce CO<sub>2</sub> emissions of suppliers</li> </ul> <b>Contributing to circular societies</b> <ul style="list-style-type: none"> <li>Expansion of recycled decorative products, use of environmentally friendly materials</li> <li>Reduction of water intake/promotion of recycling, upgrading of wastewater treatment facilities for cleaner wastewater</li> </ul>	  
	Changing values/diversification of work styles	Coexist with local communities	<b>Local activities through companies that grow together with the communities where they are rooted</b> <ul style="list-style-type: none"> <li>Business expansion and employment creation in developing countries</li> <li>Activities to support nature (woodland maintenance, plant afforestation, river and wetland protection, etc.)</li> <li>Contributing to the development of sustainable communities (environmental protection, social welfare, youth development, community crime prevention)</li> <li>Fostering a sense of unity between employees and the community through sports</li> </ul>	
	Fewer children/aging population	Promote diversification in employment / Respect human rights	<b>Diversity &amp; inclusion, safety, health management</b> <ul style="list-style-type: none"> <li>Promotion of human rights policy and pleasant workplaces (creation of mechanisms, education, implementation)</li> <li>Company policies, workplace improvement activities based on engagement surveys</li> <li>Empowerment of women, hiring of people with disabilities, delayed retirement to promote the activity of senior employees</li> <li>Ensuring safe and pleasant workplace environments</li> <li>Health management to maintain and improve the health of employees</li> </ul> <b>Quality that supports sustainability and strengthening of supply chain</b> <ul style="list-style-type: none"> <li>Strengthened supply chain management</li> <li>Uniform global quality assurance</li> </ul>	 
	Increasing political instability  Unstable material supply due to COVID-19 pandemic	Corporate governance as a company of integrity  Thorough compliance	<b>Strengthening of corporate governance systems for sustainable growth</b> <ul style="list-style-type: none"> <li>Enhancement of ESG initiatives with establishment of new Sustainability Meeting</li> <li>Risk reduction activities and thorough compliance centered on Internal Control Committee</li> <li>Strengthened response to global risks (stable procurement of parts and materials, operation shutdowns related to COVID-19, cyberterrorism, etc.)</li> <li>Strengthened corporate governance with development of business plan and management systems in Group companies</li> </ul>	