Materiality (Key Issues)

	Key Sustainability Issues (Materiality)	Main Initiatives (Social Issues/Opportunities and Risks to Be Addressed)	KPIs and Medium- to Long-term Targets (FY2030)	Relevant SDGs Most Important Areas
Business Operations	• Responding to the changing nature of cars • Reducing traffic fatalities for realizing a safer and more comfortable mobility society	• Development of new products for BEVs • Expanding sales to BEV leading markets and OEMs	• BEV-related share of revenue: 40% Target Setting Formula BEV production volume/Car production volume * Based on S&P Global Information	 Achieving a safer and more comfortable mobility society
		• Development and sales expansion of airbag products to deliver safety and comfort to all	• Airbag production volume: +1.5 fold increase (compared to 2022) → We aim to safeguard 20,000 lives annually with our products.	
	• Creating new businesses utilizing core technologies	• Expanding new businesses by leveraging experience in new business development • Deployment of corporate venture capital • Business innovation through the promotion of digitalization	• Based on cash allocation (Allocating funds mainly for R&D, human resources, and strategic investments with the aim of expanding fields that contribute to safety, comfort, and decarbonization)	 Solving social issues by creating innovations
	• Creating a decarbonized society by reducing CO_2 and greenhouse gas emissions • Creating a recycling-oriented society through waste reduction and water risk reduction	• Creating environmentally-friendly businesses by leveraging our knowledge in the rubber and plastics fields • Globally integrated operations to achieve carbon neutrality • Contribution to a recycling-oriented society (Car-to-car recycling)	• Scopes 1 and 2: Carbon neutral • Scope 3: –27.5% (compared to 2019) • Renewable energy adoption rate: 100% • Waste volume (total) (non-consolidated): –50% (compared to 2012) • Waste volume (unit) (overseas): –55% (compared to 2015) • Development of technology for more lightweight designs: –5.0 kg or more per unit • Utilization of recycled rubber (non-consolidated): 1,200 tons/year of commercial production	 Realizing a decarbonized, recycling-oriented society
Management Base	• Living together with local communities • Use of diverse human resources and respect for human rights	• Initiatives rooted in local communities (local self-reliant management, Center of Excellence) • Diversity, equity & inclusion • Safety and health management • Enhancing quality and supply chain to support sustainability management • Responding to geopolitical and economic risks	• Percentage of employees receiving training on human rights: 100% • Employee engagement affirmation rate (non-consolidated): 75% • Ratio of national staff in executive positions (vice presidents and above) at overseas locations: 60% or more • Number (ratio) of female managers (non-consolidated): 100 (8.8%) • Ratio of mid-career hires in management positions (non-consolidated): 30% or more • Number of serious accidents: 0 • Percentage of suppliers implementing sustainability activities: 100% • Talent portfolio: Fulfillment rate of 15 required talent types (non-consolidated): 100% • Number of people trained in citizen development (non-consolidated): 2000 (cumulative) • “Health Challenge 8” average score* (non-consolidated): 6.1 * Average scores for healthy weight, exercise, alcohol consumption, abstaining from smoking, eating breakfast, snacking, sleep, and stress	 Sustainable growth through diverse workforce
	• Corporate governance as a company with integrity • Ensuring compliance	• Enhancing of BCP resilience • Enhancing of internal controls	• Number of major legal violations: 0 • Major cyber security incidents: 0	 Fair and transparent corporate governance system