

Material Issue Targets

In order to meet the expectations of our stakeholders from the perspective of sustainability, we set activity targets each year, focusing on material issues, and implement activities accordingly. Through these activities, we also aim to contribute to the achievement of the Sustainable Development Goals (SDGs).

Our Targets and Results for FY2024

Environment

Materiality	Action Themes	FY2024 Targets	FY2024 Results
Climate change	Responding to climate change	●Reduce CO ₂ emissions at all business sites in Japan: 22.4% or more (compared to FY2020)	●Reduced CO ₂ emissions at all business sites in Japan: 33.0% (compared to FY2020)
		●Rate of renewable energy use: 49.9% or more	●Rate of renewable energy use: 50.2%
Resource circulation	Reducing waste	●Waste reduction: Conduct measures to reduce by at least 203 tons	●Waste reduction: Implemented measures to reduce the amount of waste equivalent to 269 tons
		●Effective utilization rate of plastic wastes: maintain 99% or more	●Effective utilization rate of plastic wastes: 99.9%
	Reducing water use	●Reduce water use: Conduct measures to reduce by at least 38,270m ³	●Reduce water use: Implemented measures to reduce the amount of water use equivalent to 46,185 m ³
Living in harmony with nature	Biodiversity conservation	●Forest maintenance through participation in the adopt-a-forest program in Nagano Prefecture	●Forest maintenance: 2 times
		●Biodiversity conservation at the Kurita Sogo Center	●Extermination of invasive alien species: 6 times ●Monitoring surveys: 3 times
		●Biodiversity education and awareness activities	●Environmental education: 3 times ●Awareness material: 2 times

Social

Materiality	Action Themes	FY2024 Targets	FY2024 Results
Contributing to and coexistence with local communities	Dialogue and coexistence with local communities	●Conduct tours at each plant	●Conducted tours at Kohoku Plant and Takaoka Plant for a total of 5 middle school students, 249 high school students, and 50 college students
		●Conducting standing guard activities for traffic safety in the vicinity of each plant	●Conducted standing guard activities for traffic safety at Kohoku Plant, Wakaho Plant, Chikuma Plant, Takaoka Plant, Arai Plant, Kyogase Plant (25 times in total)
Respect for human rights and diversity	Respecting human rights	●Promote human rights education for all employees	●Implemented human rights education as part of company-wide Shinko Way education (5,552 participants) ●Implementation of human rights education as part of rank-specific training (306 participants)
	Use of diverse employees	●Expanding educational content to promote active participation by women	●Newly implemented follow-up measures for participants of the previous year's Female Leader Training (33 people)
		●Create a workplace environment where employees with disabilities can exercise their individual abilities and work easily	●Improved the employment rate of persons with disabilities (2.56% as of June, 2024 → 2.68% as of March 2025)

Materiality	Action Themes	FY2024 Targets	FY2024 Results
Creating a dynamic corporate culture	Work-life balance	●Strengthening the Transforming Work Styles initiative	●Labor Management Council on Transforming Work Styles ●Expanded eligibility requirements for special leave for nursing care for a child ●Implemented a Work-Life Balance Seminar (28 participants)
		●Increase male childcare participation rate	●Improved the percentage of male employees taking childcare leave (29% in FY2023 → 55% in FY2024)
	Human resource development	●Expand training programs for cultivating global human resources	●Increased in the number of in-house TOEIC tests administered (4 times in FY2023 → 5 times in FY2024)
Creating a safe and comfortable working environment	Occupational safety and health	●Promoting safety and health, plus fire and disaster prevention-activities (complying with laws and regulations related to safety and health, plus fire and disaster prevention, as well as internal rules and regulations)	●Implemented fire prevention and disaster prevention activities, and conducted evacuation drills for all employees (5,123 participants in total)
		●Number of serious accidents: 0	●Falling accidents prevention awareness campaign ●Caution regarding dangerous activities such as walking while using a smartphone ●Number of serious accidents: 0
		●Improving safety awareness and management standards	●Implemented safety education for all employees (5,353 participants) ●Implemented rank-specific training (306 participants) ●Implemented Hazard Perception Education (442 participants)
		●Specific health guidance implementation rate: 75%	●Specific health guidance implementation rate: 75.0%
		●Increase attendance at health-promoting walking events by 10% year-on-year	●Number of attendance: Increased by 4.4% year-on-year
Promoting social responsibility in the supply chain	Promotion of green procurement	●Promoting efforts to reduce CO ₂ emissions and conserve water resources upstream in the supply chain	●Requested all suppliers to cooperate with green procurement (730 companies, including 716 companies in Japan and 14 overseas companies)
		●Confirming initiatives by major suppliers	●Survey conducted with major suppliers regarding CO ₂ emission reduction activities (56 companies / 100% response rate / no corrective actions required)
	Responsible minerals sourcing	●Upstream surveys of raw materials using the RMI* template and improvement activities to promote due diligence	●Conducted surveys using RMI templates (75 cases) ●Conducted risk assessments and requested improvement of RMI-compliant procurement rate based on survey responses
	Promotion of green procurement / Responsible minerals sourcing / Respecting human rights in the supply chain	●Disseminate Shinko Procurement Policy and Procurement Guidelines to suppliers	●Implemented dissemination of our purchasing policy (730 companies, including 716 companies in Japan and 14 overseas companies)
		●Confirm CSR status of major suppliers	●Surveyed suppliers that accounted for at least 80% of our production materials purchases (21 companies / no corrective actions required)
		●Confirm CSR status of on-site contractors	●Conducted CSR questionnaire and on-site checks for on-site contractors (7 companies / no corrective actions required)

* RMI: Responsible Minerals Initiative

Governance

Materiality	Action Themes	FY2024 Targets	FY2024 Results
Strengthening governance	Corporate governance	<ul style="list-style-type: none"> ● Respond to requests for disclosure of non-financial information 	<ul style="list-style-type: none"> ● Ensured and enhanced disclosure through various publications and websites
	Compliance	<ul style="list-style-type: none"> ● Implementing trainings related to compliance 	<ul style="list-style-type: none"> ● Conducted the Shinko Way education for all employees at sites in Japan (5,552 participants) ● Conducted compliance training for all employees at overseas sites (781 participants) ● Rank-specific training (136 participants) ● Training for employees assigned overseas (10 participants)
		<ul style="list-style-type: none"> ● Disseminate and Operate the internal whistleblowing system 	<ul style="list-style-type: none"> ● Disseminated within the Shinko Way education and compliance training ● Operated and handled the internal whistleblowing system
		<ul style="list-style-type: none"> ● Conduct monitoring to understand risks 	<ul style="list-style-type: none"> ● Conducted employee awareness survey at sites in Japan ● Conducted compliance survey and employee awareness survey at overseas sites
		<ul style="list-style-type: none"> ● Intellectual property education for engineers 	<ul style="list-style-type: none"> ● Conducted intellectual property education for engineers (9 times / 449 participants in total)
		<ul style="list-style-type: none"> ● Conduct education and training for applicable departments on the security trade control system and the specified export declaration system 	<ul style="list-style-type: none"> ● Implemented education on the security trade control system as part of company-wide Shinko Way education (5,552 participants) ● Implemented rank-specific training (169 participants) ● Conducted trainings for trade control administrators, designated departments, and employees assigned overseas (45 participants)
	Risk management	<ul style="list-style-type: none"> ● Understand risks through potential risk surveys and conduct hearings with related divisions 	<ul style="list-style-type: none"> ● Conducted potential risk surveys and hearings
		<ul style="list-style-type: none"> ● Enhance and implement company-wide disaster prevention and business continuity management education 	<ul style="list-style-type: none"> ● Implemented company-wide disaster prevention and business continuity management education (5,429 participants) ● Training to raise risk awareness for manufacturing process leaders (98 participants) ● Implemented rank-specific risk management education (294 participants)
		<ul style="list-style-type: none"> ● Reinforcing disaster risk countermeasures 	<ul style="list-style-type: none"> ● Implementation of countermeasures based on assessment results by external experts
		<ul style="list-style-type: none"> ● Strengthen ability to respond to natural disaster risks 	<ul style="list-style-type: none"> ● Conducted training for the central disaster response headquarters (1 time)
	Information protection	<ul style="list-style-type: none"> ● Conduct periodic inventory checks 	<ul style="list-style-type: none"> ● Conducted periodic inventory checks and corrective/improvement activities
		<ul style="list-style-type: none"> ● Raise employee awareness of information management 	<ul style="list-style-type: none"> ● Implemented information security education (sites in Japan: 5,624 participants, overseas sites: 781 participants)
		<ul style="list-style-type: none"> ● Comply with other countries' legal systems applied outside those countries 	<ul style="list-style-type: none"> ● Operation of the personal information protection management system incorporating overseas legal systems

Our Targets for FY2025

Environment

Materiality	Action Themes	FY2025 Targets
Climate change	Responding to climate change	●Reduce CO ₂ emissions at all business sites in Japan: 28% or more (compared to FY2020)
		●Rate of renewable energy use: 54.2% or more
Resource circulation	Reducing waste	●Waste reduction: Conduct measures to reduce by at least 203 tons
		●Effective utilization rate of plastic wastes: maintain 99% or more
	Reducing water use	●Reduce water use: Conduct measures to reduce by at least 38,270m ³
Living in harmony with nature	Biodiversity conservation	●Forest maintenance through participation in the adopt-a-forest program in Nagano Prefecture: 2 times
		●Conducted extermination of invasive alien species at the Kurita Sogo Center: 6 times
		●Biodiversity education (3 times) and awareness activities (2 times)

Social

Materiality	Action Themes	FY2025 Targets
Contributing to and coexistence with local communities	Dialogue and coexistence with local communities	●Conduct plant tours
		●Implementing beautification activities along our plants perimeter and surrounding roads
		●Conducting standing guard activities for traffic safety in the vicinity of our plants
Respect for human rights and diversity	Respecting human rights	●Implement human rights education for all employees
	Use of diverse employees	●Expanding educational content to promote active participation by women
		●Promoting employment of persons with disabilities and improving work environments
Creating a dynamic corporate culture	Work-life balance	●Strengthening the Transforming Work Styles initiative
		●Implement measures to increase male childcare participation rate
	Human resource development	●Expand training programs for cultivating global human resources
Creating a safe and comfortable working environment	Occupational safety and health	●Promoting safety and health, plus fire and disaster prevention-activities (complying with laws and regulations related to safety and health, plus fire and disaster prevention, as well as internal rules and regulations)
		●Number of serious accidents: 0
		●Improving safety awareness and management standards
		●Specific health guidance implementation rate: 75%
		●Providing health promotion awareness information internally
Promoting social responsibility in the supply chain	Promotion of green procurement	●Promoting efforts to reduce CO ₂ emissions and conserve water resources upstream in the supply chain
		●Confirming major suppliers' initiatives regarding CO ₂ emissions reduction, etc.
	Responsible minerals sourcing	●Implementing due diligence for responsible mineral sourcing
	Promotion of green procurement / Responsible minerals sourcing / Respecting human rights in the supply chain	●Disseminate Shinko Procurement Policy and Procurement Guidelines to suppliers
		●Confirm CSR status of major suppliers
		●Confirm CSR status of on-site contractors

Governance

Materiality	Action Themes	FY2025 Targets
Strengthening governance	Compliance	●Implementing trainings related to compliance
		●Disseminate and Operate the internal whistleblowing system
		●Conduct monitoring to understand compliance risks
		●Implementing intellectual property education for development personnel
		●Conduct education and training for applicable departments on the security trade control system and the specified export declaration system
	Risk management	●Understand risks through potential risk surveys and conduct hearings with related divisions
		●Enhance and implement company-wide disaster prevention and business continuity management education
		●Reinforcing disaster risk countermeasures
		●Strengthen ability to respond to natural disaster risks
	Information protection	●Conduct periodic inventory checks
		●Raise employee awareness of information management
		●Comply with other countries' legal systems applied outside those countries