


Materiality

We believe that our business activities are highly compatible with and relevant to Sustainable Development Goals (SDGs) adopted by the United Nations in September 2015, and can contribute to achieve these goals.

In order to accelerate these initiatives, we have referred to the GRI (Global Reporting Initiative) guidelines and identified material issues (materiality) to be focused and SDGs to be solved among the various social issues, and promoting relevant activities.

We will continue to promote our business activities that contribute to materialize a sustainable society.

 For materiality assessment process, please refer to our Materiality website. URL: <https://www.koito.co.jp/english/csr/materiality/>



The KOITO Group Corporate Behavior Charter

The KOITO Group's basic management policy is to create customer needs and contribute to the progress of society, while also fostering mutually beneficial relationships with all stakeholders, including shareholders, customers, employees, and business partners, all guided by the theme of "Light."

In accordance with this policy, we have established the following ten principles. We will comply with domestic and overseas laws and regulations, international rules, and their underlying spirit, and conduct corporate activities in accordance with corporate ethics.

In addition, with the aim of achieving sustainable growth of society, we will strive to resolve social issues through our business activities and fulfill our social responsibilities.

1 Sustainable growth and resolution of social issues	P.18 P.48	6 Work practice and enhancement of workplace environments	P.24
2 Trusted corporate activities	P.49	7 Engagement in environmental issues	P.20 P.38
3 Compliance with social conventions / Global management	P.60	8 Contribution to society	P.53
4 Fair information disclosure and constructive dialogue	P.53	9 Rejection of relations with anti-social forces / Comprehensive risk management engagement	P.60 P.62
5 Respect for human rights	P.52	10 Role of top management and thorough implementation of this Charter	P.54~58

Our Materiality and Initiatives

KOITO has set KPIs (key performance indicators) and targets for FY 2031 for each materiality. We are promoting activities that contribute to solve social issues by incorporating them into specific activity plans.

	Materiality	Relevant SDGs	Declaration of KOITO's Initiatives
Environment	<ul style="list-style-type: none"> Prevention of global warming P.20 P.42 Reduction of environmental impact substances and waste P.44 Conservation of water resources P.45 		<ul style="list-style-type: none"> We will promote reduction of CO₂ emissions and environmental impact substances, and resource recycling guided by the theme of "Eco-friendly Manufacturing for People and the Earth." We will contribute to the reduction of CO₂ emissions by further improving the light emission efficiency and reducing the weight of mainstay products.
	<ul style="list-style-type: none"> Reduction of traffic accidents P.48 Technological development contributes to materialize a sustainable society P.18 Enhancement of product quality P.49 		<ul style="list-style-type: none"> We will strive to achieve sustainable growth and resolve social issues by developing and providing socially beneficial and safe products and services. Looking ahead to autonomous driving society, we will promote product development of sensors (LiDARs and cameras). We will gain customers' satisfaction and trust through developing and providing safe and high-quality products and services.
Corporate foundation	<ul style="list-style-type: none"> Compliance P.60 Corporate governance P.54 Information security P.63 Human resource development P.24 Healthy and safe working environment P.52 Workstyle reform P.24 Respect for human rights P.52 Disaster prevention P.62 		<ul style="list-style-type: none"> We will enhance corporate governance and strengthen compliance to establish sound management system. We will strive to protect information assets by preparing for risks on information security. We will strive to provide a healthy and safe workplace environment in which all employees can make the best use of their capabilities and fulfill their potential. We will promote initiatives to respect the human rights of all persons. We will strengthen our disaster prevention system throughout the supply chain.

KPI	FY 2021 Result	FY 2022 Result	FY 2031 Target
CO ₂ emissions	59.8 thousand tons	56.7 thousand tons	36.9 thousand tons (50% reduction from FY 2014)
VOC emissions	220 tons	192 tons	Less than 299 tons (less than the amount in FY 2019) (continuous target by FY 2026)
Waste generated per unit (tons per billion yen)	0.117	0.120	Less than 0.128 (7% reduction from FY 2019) (continuous target by FY 2026)
Water usage per unit (tons per million yen)	3.26	3.41	Less than 3.51 (7% reduction from FY 2019) (continuous target by FY 2026)
LED adoption ratio*	64%	70%	100%
ADB adoption ratio*	5%	5%	20%
Commercialization of LiDAR	—	—	Commercialization (FY 2024) Commercializing next-generation product (FY 2026)
Number of recalls	4 cases	0	0
Awareness of the KOITO Group Corporate Behavior Charter	91%	97%	100%
Number of serious violations of laws and ordinances	0	0	0
Number of serious information security incidents	0	0	0
Training time per employee	9.6 hours	10.2 hours	More than 15 hours
Rate of lost-time injuries	0	0	0
Ratio of women in senior management	1.3%	1.4%	More than 3.0%

*Consolidated