

FY2023-2025 Group Sustainability Activity Implementation Targets

	Materiality (Important issues)	Sustainability Activity Implementation Targets (Strategy)	Group-wide KPIs (Indicators and Targets)	SDGs Targets
E (Environment)	① Response to climate change	• Achieve “Zero CO <sub>2</sub> 2050” to reduce CO <sub>2</sub> emissions to virtually zero by 2050 through the use of biomass energy and the latest technology	• Reduce CO <sub>2</sub> emissions in 2030 by 43% compared to FY2005	<div><div></div><div></div></div> <div>6.3 11.6 13.3 7.2 12.4 9.4 12.5</div>
	② Responsible procurement of raw materials	• Promote CSR-aligned raw materials procurement that considers the environment and society based on the Hokuetsu Group Fundamental Policy for Raw Materials Procurement	• Procure raw materials produced with consideration for environment, society, and human rights	<div></div> <div>12.7</div>
	③ Forestry management and protection of biodiversity	• Leveraging the multiple functions of forests, maintain proper and sustainable management of Hokuetsu-owned and managed forests • Preserve the biodiversity of owned and managed forests, and strive for community interaction through owned and managed forests	• Maintain or increase CO <sub>2</sub> absorption capacity of compnay-owned and managed forests • Strengthen regional exchanges related to biodiversity	<div></div> <div>15.2 15.4</div>
S (Social)	④ Ensuring safety and hygiene of the workplace	• Strive for an accident-free workplace by following the hSA25 roadmap	• Zero serious accidents every fiscal year • 25 or fewer occupational accidents (including minor incidents) in the Group every fiscal year	<div></div> <div>3.6</div>
	⑤ Human capital management	• By promoting human capital management, accelerate talent hiring and training, striving to increase the competitiveness of the Group as a whole	• Double the percentage of women, non-Japanese, and mid-career hires in management and executive ranks from the current level (FY2021) of approximately 10% by 2030 • Improve retention (newly grads/mid-career) • Increase education and training investment per employee • Total the number of training participants • Increase the number of qualifications and licenses held • Higher percentage of women in management • Improve the rate of men taking childcare leave	<div></div> <div>5.1 5.5 5.C 8.5</div>
	⑥ Delivering responsible product quality and new product development	• Ensure product quality and safety • Develop new, environmentally friendly products	• Zero product liability accidents • Expand environmentally friendly products • Develop products harnessing nanotechnology	<div></div> <div>12.4 12.5 12.7 14.2</div>
	⑦ Dialogue with stakeholders	• Continue good relationships with stakeholders (shareholders/investors, sellers/suppliers, consumers, employers, communities)	• Improve stakeholder engagement (IR/SR meetings, factory visits/internships, employee surveys, etc.) • Respond to various questionnaire surveys • Continue social contribution activities	<div></div> <div></div>
G (Governance)	⑧ Improving corporate governance	• Continously improve corporate governance • Strive to enhance risk management activities	• Enhance content of disclosure • Continue risk reduction activities	<div></div> <div>3.3 16.5</div>
	⑨ Respecting human rights	• Promote approaches that respect human rights	• Sign up to the United Nations Global Compact • Establish a human rights policy • Establish approaches for respecting human rights	<div></div> <div>8.7 10.2 10.3</div>