







# Materiality issues and Tomoku's Approach

Materiality Issues	Details of Materiality Issues	Recognized Opportunities and Risks	Tomoku Group Initiatives	Global environment conservation
<b>E</b> Global environmental conservation	Response to climate change	Increase in abnormal weather and natural disaster risks Worsening of working environments, Introduction of carbon tax Rising demand for a low-carbon society Improved evaluation and the spread of the of energy-saving and highly insulated houses	Contribution to circular economy (Recycling and utilization of used paper), CO <sub>2</sub> emission reduction (Utilization of renewable energy, Improvement of delivery and fuel efficiency, Design and spread of energy-saving housing, Energy saving by improvement in efficiency)	
	Conservation of biodiversity	Deforestation in supply chain, Conservation of water resources, Evaluation improvement by increasing deforestation prevention awareness	Use of certified raw materials, etc. Securing traceability, Implementation monitoring	
	Management and reduction of waste and hazardous materials	Destruction of surrounding environment, Workplace safety Increased demand for a more circular economy	Waste volume reduction management and recycling Hazardous materials management	
<b>S</b> Diverse human resources and respect for human rights	Respect for human rights	Lowered reputation due to harassment and lack of overwork prevention Human rights risk in the supply chains, temporary workers and contractors, Utilization of foreign workers and consideration of human rights	Human rights awareness, Harassment education Response to foreign workers and supply chains (Development of grievance mechanism, DD, etc.) ,Promotion of labor saving and unmanned operation by introducing IoT and robots, etc.	
	Human resources development and training	Difficulty of recruiting capable human resources due to the declining birthrate, Skill succession, Improving production efficiency	Enhancement of training system, Support for self-improvement Practice of the management philosophy	
	Occupational health and safety in the workplace	Economic loss due to insufficient production activities Lowered reputation due to lack of health and safety measures, Productivity improvement through a safe and comfortable production system	Improvement of workplace environment and training to achieve zero accidents, Promotion of labor saving and unmanned operation by introducing IoT and robots, etc.	
	Work style reform, Improvement of employee satisfaction, D&I promotion	Difficulty of recruiting capable human resources due to the declining birthrate, Increase in turnover rate, Improvement in workplace vitality and productivity Exercise of abilities, Securing of capable human resources	Welfare, Training support, Women's participation, Shorter working hours, Paid leave, Senior employment, Promotion of advanced use of ICT, D&I promotion	
	Supply chain management	Business continuity due to procurement risk, Decline in sales due to lowered reputation Dysfunctional circulation system Response through dialogue, collaboration and monitoring	Monitoring of suppliers based on ESG	
	Safe, reliable products and services	Improved safety, security and reliability of products and services Safe and secure delivery Comfortable and attractive living environment	Deepening of basic technology and R&D Improving communication with customers, Providing a comfortable living environment	
	Development of local communities	Contribution to and dialogue with local communities	Local residents' antipathy to noise and traffic congestion Increased recruitment from surrounding areas	
<b>G</b> Strengthening governance	Compliance with fair trade practices	Payment of surcharges, Transaction halts, Loss of social credibility Expanding business as an ethical company	Legal compliance regarding business transactions, internal penetration, and implementation of training	
	Corporate Governance Compliance Risk management	Divestment from investors, Transaction halts	Corporate governance policy, Internal control policy Compliance regulations, IR activities Implementation of training for all employees BCP measures, Information management	