

## Material Issues

Material Issues		Tracking Indices	Achievement Score	Contribution to Society (SDGs)
■ Main elements that make up a corporation				
Corporate Vision	<ul style="list-style-type: none"> <li>To be a strong corporation with great vitality that evolves in the face of any environmental changes or risks</li> <li>To be a corporation that contributes to the realization of a sustainable society through all of its corporate activities</li> </ul>			
Business Vision	<ul style="list-style-type: none"> <li>To be recognized by those at the cutting edge of technology as the leader in the exploration of Kiru, Kezuru, Migaku</li> </ul>	<ul style="list-style-type: none"> <li>Affirmative response rate for the applicable item in Customer Satisfaction (CS) survey</li> </ul>	80% or more	  
	<ul style="list-style-type: none"> <li>To dedicate ourselves to reducing the environmental impact of our value chain</li> </ul>	<ul style="list-style-type: none"> <li>Response to climate change</li> <li>Mid-term goal: Reduce carbon emissions that are produced through activities that are related to the company's operations by FY 2030 (Scope 1 + 2)</li> <li>Long-term goal: Reduce carbon emissions of the entire supply chain by FY 2050 (Scope 1 + 2 + 3)</li> </ul>	Carbon neutrality	 
Economic Vision	To have sufficient economic competent and structure to support our growth as a corporation	<ul style="list-style-type: none"> <li>Consolidated ordinary income margin averaged over four-year period</li> <li>Consolidated RORA in averaged over four year period</li> </ul>	20% or more 20% or more	
Social Evaluation Vision	For the DISCO name to have a good reputation within society	<ul style="list-style-type: none"> <li>Number of articles published in the media about the company's promotion of sustainability</li> </ul>	3 every year	
Organization Vision	<ul style="list-style-type: none"> <li>To be a simple and organic organization that is able to respond quickly to changes</li> <li>To possess the ability to self-correct regarding cheating</li> </ul>	<ul style="list-style-type: none"> <li>Yearly structural cost reduction from improvement activities (compared to previous fiscal year)</li> </ul>	5% or more	
		<ul style="list-style-type: none"> <li>Percentage of divisions that have a Division Will Productivity (ordinary income ÷ total labor costs) of 1.0 or above</li> </ul>	80% or more	
		<ul style="list-style-type: none"> <li>Percentage of employees undergoing company compliance education</li> <li>Percentage of reports that are reported to the company report point of contact that are handled/solved</li> </ul>	100% 100%	
		<ul style="list-style-type: none"> <li>Affirmative response rate for the applicable item in Employee Satisfaction (ES) survey</li> </ul>	80% or more	
Human Resources Vision	To be a group made up of individuals who empathize, share, and put into practice the values of DISCO	<ul style="list-style-type: none"> <li>Percentage of attendance in training workshops for DISCO VALUES</li> <li>Affirmative response rate for the applicable item in Employee Satisfaction (ES) survey</li> </ul>	95% or more 80% or more	
Corporate Culture Vision	<ul style="list-style-type: none"> <li>For the corporate culture to cultivate the individual, and the individual to improve upon the culture</li> <li>To have a corporate culture in which diversity is mutually recognized and incorporated</li> </ul>	<ul style="list-style-type: none"> <li>Affirmative response rate for the applicable item in Employee Satisfaction (ES) survey</li> <li>Percentage of attendance in company education seminars regarding diversity</li> </ul>	80% or more 100%	 

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<b>■ Relationship with stakeholders</b>					
Employees	<ul style="list-style-type: none"> <li>To create a workplace of true colleagues who are able to share their honest opinions with each other</li> <li>To create an environment that readily realizes a lifetime work-life balance and have a system of remuneration in place that rewards contributions</li> <li>To create an environment that incorporates health, safety, and security</li> </ul>	<ul style="list-style-type: none"> <li>Affirmative response rate for the applicable item in Employee Satisfaction (ES) survey</li> </ul>	80% or more	 	
Customers	<ul style="list-style-type: none"> <li>To realize a high level of satisfaction through prompt support</li> <li>To realize hassle-free services</li> </ul>	<ul style="list-style-type: none"> <li>Affirmative response rate for the applicable item in Customer Satisfaction (CS) survey</li> </ul>	80% or more	 	
Shareholders	To maintain an exceptional level of vitality and constantly evolve	<ul style="list-style-type: none"> <li>The predicted necessary funds were secured through cash equivalents at the end of the fiscal year, and these were tangible funds with no debt</li> <li>Additional dividends continue to be paid with surplus cash</li> <li>No. of new unique processes released</li> <li>Consolidated sales of consumables</li> </ul>	1 every 3 years 170 billion yen	 	
	To realize and constantly enhance sincere and high-quality governance	<ul style="list-style-type: none"> <li>Comprehensive evaluation of effectiveness of board of directors meeting (out of 6 points)</li> <li>Evaluation results of the representative executive officer's adequacy by the representative executive officer evaluation committee (out of 6 points)</li> <li>Percentage of sustainability issues recognized FY2022-FY2029 resolved*3</li> </ul>	5 or more  5 or more  100%		
Suppliers	<ul style="list-style-type: none"> <li>To form relationships so that DISCO is given top priority as necessary</li> </ul>	<ul style="list-style-type: none"> <li>Affirmative response rate for the applicable item in Supplier Satisfaction (SS) survey</li> </ul>	80% or more		
	<ul style="list-style-type: none"> <li>For both parties to share their challenges toward the realization of a sustainable society</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of amount paid to suppliers with whom we have shared our sustainability procurement policy (out of overall amount)</li> <li>Percentage of amount paid to suppliers who have agreed to our sustainability procurement policy (out of overall amount)</li> </ul>	95% or more  90% or more		
Local Community	<ul style="list-style-type: none"> <li>To make DISCO-like contributions to the local community</li> <li>To respect the local culture</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of regional issues resolved per affiliate office</li> </ul>	90% or more		

## Environmental Vision

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Climate change	Dedication to the reduction of greenhouse gasses	<ul style="list-style-type: none"> <li>Greenhouse gas emissions related to DISCO's business activities</li> </ul>	Carbon neutrality Scope 1 and 2 (by 2030) Scope 1, 2 and 3 (by 2050)	  
Water resources	Effective use of water resources in the DISCO Group	<ul style="list-style-type: none"> <li>Percentage recycled</li> </ul>	90% or more (by 2040)	  
Recycling of resources	Effective use of resources	<ul style="list-style-type: none"> <li>Percentage of recycled wastes</li> <li>*Head Office and production facilities</li> </ul>	100% for two consecutive years (by 2030)	
Biodiversity	Reduced impact on the natural environment	<ul style="list-style-type: none"> <li>Percentage of supply chain for which environmental impact has been surveyed and identified.</li> </ul>	99% or more (by 2025)	 
		<ul style="list-style-type: none"> <li>Percentage of implemented reductions to environmental impact, including in the supply chain</li> </ul>	To be established based on the survey results	
Prevention of chemical substances and pollution	<ul style="list-style-type: none"> <li>Prevention of environmental accidents</li> </ul>	<ul style="list-style-type: none"> <li>No. of environmental accidents and near misses</li> </ul>	Zero for two consecutive years (by 2030)	  
	<ul style="list-style-type: none"> <li>To prevent environmental damage caused by the use and manufacturing of products</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of compliance for the following laws/regulations*:                -(EU) RoHS Directive                -(EU) REACH Regulation                -(EU) POPs Regulation                -(US) Toxic Substances Control Act (TSCA)                -(CN) China RoHS                -(JP) Chemical Substances Control Law</li> </ul>	100% (by 2027)	

\*We will respond individually for laws/regulations other than listed above.