

Rating
 ○: More than 100% target met
 △: 80%-99% of target met
 ×: Less than 79% of target met

Materiality		No.	Goals	Scope*2	FY2022 Results	Rating	
Themes	Elements						
Harmony with the global environment	Reducing environmental impact	1	Reduce greenhouse gas emissions Reduce CO2 emissions by 25% (VS 2018) before 2030 and achieve carbon-neutral in 2050	Consolidated	CO2 emissions recorded in 2022 for the entire company: 2,408 thousand tCO2 (reduction of 21% versus 2018). Mainly achieved by switching to electric power from renewable energy, fuel conversion, etc.	○	
		2	Reduce pollution	Dispose of all low-concentration PCB waste by March 31, 2025	Domestic group*3	Approximately 62% of low-concentration PCB waste has been disposed, and disposal is progressing as scheduled	○
		3		Maintain zero environmental claims against the Company (contamination of air, water, etc.)	Consolidated	No environmental claims	○
		4	Reduce water consumption	Reduce water consumption (1% or more of reduction from FY2018)	TCJ	Achieved reduction of 4% versus FY2018	○
	Realizing a recycling-oriented society	Recycle waste	5	Recycle 80% or more of waste	Domestic group	Achieved recycle rate of 87%	○
			6	Final disposal rate of 25% or lower		Achieved final disposal rate of 18%	○
Contributing to society through our business	Technological Innovation	7	Devote 80% or more of development expenditures to reducing environmental burden	Domestic group	Devoted 91% of development expenditure to reducing environmental burden	○	
		8	Devote 60% or more of development expenditures to reducing environmental burden	TKK	Devoted 85.1% of development expenditure to reducing environmental burden	○	
		9	Emphasize research and development	Make 80% or more of patent applications in areas related to reducing environmental burden	Domestic group	Ratio of patent applications related to reducing environmental burden: 100%	○
				Make 70% or more of patent applications in areas related to reducing environmental burden	TKK	Ratio of patent applications related to reducing environmental burden: 100%	○
	Supplying safe and secured products	11	Further elevate quality	Reduce electrode consumption rate*1 (3% reduction from 2021)	Consolidated	More than 3% improvement (reduction) achieved in subject users, with users achieving reduction exceeding their plans. Target has been achieved in comprehensive evaluation	○
	Supply chain management	12	Raise supplier awareness of CSR	Disseminate procurement policy to new suppliers on a consolidated basis Conduct CSR survey	Consolidated	From April 2022, began disseminating our procurement policy and carrying out the CSR procurement survey when starting regular business with new raw material suppliers	○
		13	Reduce CSR risks at suppliers	Conduct CSR survey of key suppliers on a consolidated basis		Report on the survey conducted in 2022 on five key suppliers of overseas bases has been issued after analyzing the survey results	○
	Respect for human rights	Raise employee awareness of human rights	14	Revise Harassment Manual and conduct harassment training at domestic subsidiaries	Domestic group	Harassment Manual has been revised. Conducted harassment training course for domestic subsidiaries. (Attendance rate: 100%; correct response rate in degree of comprehension test result: Approx. 90%)	○
			15	Conduct annual human rights due diligence	Domestic group	Human rights due diligence for FY2022 conducted	○
			16	Improve understanding of global human rights policy	Consolidated	Conducted training on global human rights policy and human rights due diligence	○
Contribution to community	17	Actively engage in community contribution activities	Enhance disclosure of community contribution activities	Consolidated	Total amount of donations and activity contributions: Approx. 48.4 million yen (Ukraine support donation, donations to support community culture and sports, etc.) Community contribution activity details: Cleaning, tree planting, food donations, etc.)	-	
Strengthening our management base	Strengthening Corporate Governance	18	Establish a consolidated governance system	-	Consolidated	Promotion of internal control, upgrading of North American management company functions, subsidiary company management, etc., have been conducted as planned	-
	Ensuring compliance	19	Maintain ethical standards, regulatory compliance	Commit no serious regulatory violations	Consolidated	No regulatory violations that have critical impact committed	○
				Formulate a global code of conduct (tentative name) and inform subsidiaries around the world about it		New "Action Guidelines" and "Global Code of Conduct" have been formulated and disseminated inside the Group	○
	Human resource development	Secure diverse human resources	21	Double the number of female employees in managerial positions (by the end of 2024)	TCJ	Increased 66% as of end Dec. 2022 versus end of Dec. 2021	○
			22	Percentage of new female graduates hired for career-track positions: 30% on a non-consolidated basis	TCJ	Of new recruits joining the Company (non-consolidated) in April 2023, 40% were female	○
			23	Increase number of non-Japanese employees in managerial positions (by the end of 2024)	TCJ	Recruiting activities conducted, including those for managerial positions. Progressing as planned	○
			24	Raise the ratio of mid-career hires in managerial positions (by the end of 2024)	TCJ	Increased 3.2% as of end of Dec. 2022 versus end of Dec. 2021	○
	25	Effectively implement training	Total training hours planned by head office (New-hire training / specialist training)	Domestic group	In 2022, total time spent on specialist training: 1,747 hours; total time spent on new-hire training: 1,674 hours	○	
Promoting Occupational Safety and Health	26	Reduce occupational accidents	Reduce frequency rate of occupational accidents (1.8 or lower)	Consolidated	Achieved accident frequency rate of 1.20	○	

*1 The rate at which a graphite electrode is used up in the steelmaking process.

*2 TCJ: Tokai Carbon Japan, TKK: Tokai Konetsu Kogyo

*3 Domestic group: TCJ + major domestic subsidiaries (Tokai Konetsu Kogyo, Tokai Fine Carbon, Tokai Material), but excluding TKK for No. 7 and 9