





In order to strengthen sustainability management and address social issues, Kumiai Group thoroughly reviewed its materiality in FY2022 and established KPIs corresponding to each materiality. We are promoting initiatives while confirming results of KPIs as indicators of progress of sustainability management.

	Materiality	Initiatives	FY2023 results	FY2026 targets	FY2030 targets	Related SDGs
Resolving social issues through our core business	Contribution to a sustainable agricultural industry	<ul style="list-style-type: none"> <li>Contribution to smart agriculture through products that help reduce energy and labor</li> </ul>	<ul style="list-style-type: none"> <li>Products that contribute to smart agriculture: Greater lineup of MAMETSUBU® products</li> <li>Number of new products launched: 1 MAMETSUBU® product</li> <li>Agricultural land area where MAMETSUBU® was used: 115,000 ha, 7.5% of land used for paddy rice cultivation in Japan</li> </ul>	<ul style="list-style-type: none"> <li>Products that contribute to smart agriculture: Greater lineup of MAMETSUBU® products</li> <li>Number of new products launched: 5 MAMETSUBU® products (Total from FY2022)</li> <li>Agricultural land area where MAMETSUBU® is used: 1% increase in land used for paddy rice cultivation in Japan (Compared to FY2022)</li> </ul>	<ul style="list-style-type: none"> <li>Products that contribute to smart agriculture: Greater lineup of MAMETSUBU® products</li> <li>Number of new products launched: 2 MAMETSUBU® products (Total from FY2027)</li> <li>Agricultural land area where MAMETSUBU® is used: 2% increase in land used for paddy rice cultivation in Japan (Compared to FY2022)</li> </ul>	 
	Strengthening R&D capabilities	<ul style="list-style-type: none"> <li>Strengthening R&amp;D capabilities</li> </ul>	<ul style="list-style-type: none"> <li>Number of patent applications: 67</li> </ul>	<ul style="list-style-type: none"> <li>Number of patent applications: 100</li> </ul>	<ul style="list-style-type: none"> <li>Number of patent applications: 120</li> </ul>	
Environmental	Mitigation of climate change and environmental impact	<ul style="list-style-type: none"> <li>Reducing greenhouse gas emissions for the whole Kumiai Group</li> </ul>	<ul style="list-style-type: none"> <li>Greenhouse gas emissions from seven Group companies (Scope 1 and 2): 58,178 t-CO<sub>2</sub></li> </ul>	<ul style="list-style-type: none"> <li>Greenhouse gas emissions from seven Group companies (Scope 1 and 2): 30% reduction by FY2030 compared to FY2019</li> </ul>	<ul style="list-style-type: none"> <li>Greenhouse gas emissions from seven Group companies (Scope 1 and 2): 30% reduction by FY2030 compared to FY2019</li> </ul>	 
	Contribution to biodiversity	<ul style="list-style-type: none"> <li>Contributing to biodiversity through forest conservation</li> <li>Contribution to biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>Forest maintenance in Fukushima, Hokkaido</li> </ul>	<ul style="list-style-type: none"> <li>Support for forest tree-fostering activities in Fukushima, Hokkaido: Once a year</li> <li>Creation and maintenance of biotope</li> </ul>	<ul style="list-style-type: none"> <li>Forest infrastructure development in Fukushima, Hokkaido</li> <li>Creation and maintenance of biotope</li> </ul>	 
	Contribution to a recycling-based society	<ul style="list-style-type: none"> <li>Reduction of industrial waste</li> </ul>	<ul style="list-style-type: none"> <li>Total amount of industrial waste generated: 3,676 tons</li> <li>Amount of landfill waste: 82 tons (Landfill rate: 2.2%)</li> <li>Amount of waste recycled: 891 tons (Recycling rate: 91.6%)</li> </ul>	<ul style="list-style-type: none"> <li>Waste reduction</li> <li>Promoting zero waste emissions: Landfill disposal rate of 1% or less</li> </ul>	<ul style="list-style-type: none"> <li>Waste reduction</li> <li>Promoting zero waste emissions: Landfill disposal rate of 1% or less</li> </ul>	 
Social	Promotion of industrial health and safety	<ul style="list-style-type: none"> <li>Preventing occupational accidents</li> </ul>	<ul style="list-style-type: none"> <li>Number of accidents with lost time: 1</li> </ul>	<ul style="list-style-type: none"> <li>Number of accidents with lost time: 0</li> </ul>	<ul style="list-style-type: none"> <li>Number of accidents with lost time: 0</li> </ul>	
	Respect for human rights	<ul style="list-style-type: none"> <li>Greater awareness of human rights</li> </ul>	<ul style="list-style-type: none"> <li>Basic human rights training: Once for all employees (99.6% coverage)</li> </ul>	<ul style="list-style-type: none"> <li>Implementation status of human rights education and training                             <ul style="list-style-type: none"> <li>Employee coverage rate: 100%</li> <li>At least once a year for each employee</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Implementation status of human rights education and training                             <ul style="list-style-type: none"> <li>Employee coverage rate: 100%</li> <li>At least once a year for each employee</li> </ul> </li> </ul>	
		<ul style="list-style-type: none"> <li>Eliminating all forms of harassment</li> </ul>	<ul style="list-style-type: none"> <li>Harassment training at Head Office: Once for employees at Head Office (92.0% coverage)</li> </ul>	<ul style="list-style-type: none"> <li>Implementation status of harassment training                             <ul style="list-style-type: none"> <li>Employee coverage rate: 100%</li> <li>At least once a year for each employee</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Implementation status of harassment training                             <ul style="list-style-type: none"> <li>Employee coverage rate: 100%</li> <li>At least once a year for each employee</li> </ul> </li> </ul>	 
	Promotion of diversity and inclusion	<ul style="list-style-type: none"> <li>Promoting active participation of women</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of female managers: 2.3% (3 out of 129)</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of female managers: 4.9%</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of female managers: 8.2%</li> </ul>	
		<ul style="list-style-type: none"> <li>Promoting support for next-generation development</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of male employees who take childcare leave: 62.5% (Employees who took childcare leave: 20 / Eligible employees: 32)</li> </ul>	<ul style="list-style-type: none"> <li>Rate of male employees who take childcare leave: 100%</li> </ul>	<ul style="list-style-type: none"> <li>Rate of male employees who take childcare leave: 100%</li> </ul>	 
	Promotion of work-life balance	<ul style="list-style-type: none"> <li>Creating a comfortable working environment</li> </ul>	<ul style="list-style-type: none"> <li>Average rate of employees taking annual paid leave: 60.4%</li> </ul>	<ul style="list-style-type: none"> <li>Average rate of employees taking annual paid leave: 70%</li> </ul>	<ul style="list-style-type: none"> <li>Average rate of employees taking annual paid leave: 80%</li> </ul>	
<ul style="list-style-type: none"> <li>Achieve health and productivity management</li> </ul>		<ul style="list-style-type: none"> <li>Certified Health &amp; Productivity Management Outstanding Organization: Not yet certified</li> </ul>	<ul style="list-style-type: none"> <li>Certified Health &amp; Productivity Management Outstanding Organization: Gain certification</li> </ul>	<ul style="list-style-type: none"> <li>Certified Health &amp; Productivity Management Outstanding Organization: Maintain certification</li> </ul>		
Human capital development	<ul style="list-style-type: none"> <li>Implementing education for the continuous growth of all employees</li> </ul>	<ul style="list-style-type: none"> <li>Training time per employee: 24.6 hours</li> </ul>	<ul style="list-style-type: none"> <li>Training time per employee: 25 hours</li> </ul>	<ul style="list-style-type: none"> <li>Training time per employee: 25 hours</li> </ul>		