






Relationship between Materiality and Medium- to Long-Term Value Creation Strategies

Note: For more information regarding KPIs, please refer to Tokyo Century's latest sustainability data book.

Materiality (Key Issues)	Major Opportunities and Risks for Tokyo Century	Major KPIs	Results (Fiscal 2023)	Major Initiatives for Contributing to Materiality (Key Issues)
<div><b>1 Contribution to decarbonized society</b></div> <div></div>	<div><b>+</b> Opportunities</div> <div>Expansion of scope of renewable energy and other environment-related businesses</div> <div><b>-</b> Risks</div> <div>Emergence of stranded assets with high greenhouse gas emissions</div>	<div>Contributions to reductions in CO<sub>2</sub> emissions through solar power generation businesses of consolidated subsidiaries*<sup>1</sup> (fiscal 2024)</div> <div>Annual generation volume: <b>More than 549,700 MWh</b></div> <div>Reductions in CO<sub>2</sub> emissions: <b>More than 215,757 t-CO<sub>2</sub></b></div> <div><b>New</b> Transaction volume (leases, financing, investments, etc.)</div>	<div>Contributions to reductions in CO<sub>2</sub> emissions through solar power generation businesses of consolidated subsidiaries</div> <div>Annual generation volume: <b>560,575 MWh</b></div> <div>Reductions in CO<sub>2</sub> emissions: <b>218,344 t-CO<sub>2</sub></b></div> <div>Transaction volume: <b>¥344.7 billion</b></div>	<div><b>➡ Investment in Forestry Fund</b></div> <div>Tokyo Century has invested in a forestry fund organized and operated by the Sumitomo Forestry Group with the aim of utilizing the quality carbon credits obtained through the fund to create new services and businesses that contribute to reductions in emissions.</div>
<div><b>2 Creation of new businesses driven by technical innovation</b></div> <div></div>	<div><b>+</b> Opportunities</div> <div>Improvement of customer value propositions using digital technologies</div> <div><b>-</b> Risks</div> <div>Diminishment of customer value propositions due to obsolescence of existing business model</div>	<div>Certification under METI's DX Certification system*<sup>2</sup></div>	<div>Certification under METI's DX Certification system</div> <div>Inclusion among Noteworthy DX Companies 2024 in May 2024</div>	<div><b>➡ Investment in IT Service Provider MEEQ Inc.</b></div> <div>With the goal of co-creating new services, Tokyo Century has commenced investment in MEEQ Inc., provider of MEEQ, an Internet of Things (IoT) platform offering one-stop services for various communication, hardware, software, AI, and other functions crucial for digital transformation and the adoption of the IoT.</div>
<div><b>3 Contribution to social infrastructure development</b></div> <div></div>	<div><b>+</b> Opportunities</div> <div>Expansion of customer value propositions through utilization of social infrastructure assets indispensable to everyday life</div> <div><b>-</b> Risks</div> <div>Emergence of stranded assets due to deterioration of social infrastructure</div>	<div>Number of vehicles equipped with telematics services*<sup>3</sup></div> <div>Number of safe driving lessons conducted using telematics services*<sup>4</sup></div> <div>Ratio of rental cars equipped with safety features (automated brakes, etc.)*<sup>5</sup></div> <div><b>New</b> Transaction volume (leases, financing, investments, etc.)</div>	<div>Number of vehicles equipped with telematics services: <b>88,359</b></div> <div>Number of safe driving lessons conducted using telematics services (number of participants therein): <b>1,049 (14,149)</b></div> <div>Ratio of rental cars equipped with safety features (automated brakes, etc.): <b>97.4%</b></div> <div>Transaction volume: <b>¥641.2 billion</b></div>	<div><b>➡ Investment in U.S. Data Center Business</b></div> <div>Investment has been conducted in data centers located in Chicago and operated by the NTT Group. These data centers are supporting the popularization of generative AI and other technologies and are expected to benefit from growing demand among major IT companies and other hyperscalers as infrastructure indispensable to our everyday lives.</div>
<div><b>4 Sustainable resource use</b></div> <div></div>	<div><b>+</b> Opportunities</div> <div>Increased range of business opportunities related to a circular economy focused on the value of assets</div> <div><b>-</b> Risks</div> <div>Higher costs related to waste processing Damage to reputation due to environmental pollution</div>	<div>Number of secondhand computers sold (fiscal 2026): <b>More than 301,000</b></div> <div>Number of units processed with ITAD services*<sup>6</sup> (fiscal 2025): <b>2,000,000</b></div> <div>Number of rental cars owned*<sup>5</sup></div> <div><b>New</b> Transaction volume (leases, financing, investments, etc.)</div>	<div>Number of secondhand computers sold: <b>350,813</b></div> <div>Number of units processed with ITAD services: <b>1,694,606</b></div> <div>Number of rental cars owned: <b>35,158</b></div> <div>Transaction volume: <b>¥473.0 billion</b></div>	<div><b>➡ Promotion of ITAD Service Business through Joint Investment in EPC Japan with CSI Leasing</b></div> <div>Through EPC Japan K.K., CSI Leasing, Inc. and Tokyo Century are jointly enhancing their end-of-lease computer disposal, data erasure, and refurbishment operations and promoting eco-friendly IT life cycle management services.</div>
<div><b>5 Enhancement of work environment, leading to strengthening of human resources</b></div> <div></div>	<div><b>+</b> Opportunities</div> <div>Recruitment of diverse human resources Invigoration of human resources through increased employee engagement</div> <div><b>-</b> Risks</div> <div>Loss of talented human resources Inability to secure talented human resources due to unappealing workplace environment Failure to innovate</div>	<div>Ratio of women among new-graduate hires (2027): <b>Maintain at least 40%</b></div> <div>Ratio of female managers among all managers (2030): <b>At least 30%</b></div> <div>Rate of childcare leave acquisition by male employees: <b>Maintain 100%</b></div> <div><b>Improvement of employee engagement index*<sup>7</sup></b></div>	<div>Ratio of women among new-graduate hires: <b>53.2%</b></div> <div>Ratio of female managers among all managers: <b>12.0%</b></div> <div>Rate of childcare leave acquisition by male employees: <b>100%</b></div> <div>Employee engagement index: <b>53.2</b> (deviation value)</div>	<div><b>➡ Improvement of Ratio of Female Managers among All Managers</b></div> <div>Seminars are organized on themes related to women's career development and workshops are arranged through which volunteer participants are able to explore relevant themes and are encouraged to reflect their findings in their actions.</div> <div><b>➡ Promotion of Childcare Leave Acquisition by Male Employees</b></div> <div>Interviews with male employees who have taken long-term childcare leave are published in owned media outlets, and lunch meet-ups for working parents are organized.</div>

\*1 Solar power generation company Kyocera TCL Solar LLC and nine other subsidiaries

\*2 Program to certify business operators based on the revision to Act on Facilitation of Information Processing implemented on May 15, 2020; companies must apply for certification and the Ministry of Economy, Trade and Industry selects for certification those companies implementing superior initiatives.

\*3 Nippon Car Solutions Co., Ltd., and Nippon Rent-A-Car Service, Inc.

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\*5 Nippon Rent-A-Car Service, Inc.

\*6 Services for disposing of IT assets safely and appropriately

\*7 Measured using Motivation Cloud service provided by Link and Motivation Inc. since fiscal 2024; represented as deviation value from nationwide average of 50