

Materiality (Key Issues): Key Indicators, Targets, and Major Initiatives

Materiality (Key Issues)	Major Opportunities and Risks for the Company		Key Output KPIs*	Target (Target Year)	Results		Major Initiatives to Address Materiality (Key Issues)
					FY2023	FY2024	
Contribution to decarbonized society 	 Opportunities  Risks	Expansion of scope of renewable energy and other environment-related businesses	Contract value, etc. (lease contract value, financing amount, investment amount, etc.) Ratio of electrified vehicles (EVs, FCEVs, PHEVs, and HVs)	— —	¥344.7 billion 20.3%	¥324.0 billion 22.4%	 Promotion of the Kitakyushu Model to support decarbonization efforts of local governments Tokyo Century drives the development of the Kitakyushu Model, an advanced regional model for realizing a decarbonized society, with the City of Kitakyushu. Through a public-private partnership, we promote support for EV adoption by local companies, installation of solar power generation equipment at public facilities, and circular use of batteries. By combining our finance and service functions with solutions to regional issues, we aim to create a pioneering model of sustainable community development that is scalable to other regions.
		Emergence of stranded assets with high greenhouse gas emissions	Ratio of fuel-efficient aircraft among the aviation business's (ACG) assets Power generation capacity of renewable energy facilities <small>NEW</small>	72.0% (December 31, 2025)	61.9%	66.3%	
	 Opportunities  Risks	Improvement of customer value propositions using digital technologies	Continued certification under METI's DX Certification system	Continued certification under METI's DX Certification system	Continued certification under METI's DX Certification system Selected as a Noteworthy DX Company 2024 in May 2024	Continued certification under METI's DX Certification system Selected as a Noteworthy DX Company 2024 in May 2024	
		Diminishment of customer value propositions due to obsolescence of existing business models	Continued certification under METI's DX Certification system	Continued certification under METI's DX Certification system	Continued certification under METI's DX Certification system Selected as a Noteworthy DX Company 2024 in May 2024	Continued certification under METI's DX Certification system Selected as a Noteworthy DX Company 2024 in May 2024	
Creation of new businesses driven by technical innovation 	 Opportunities  Risks	Improvement of customer value propositions using digital technologies	Continued certification under METI's DX Certification system	Continued certification under METI's DX Certification system	Continued certification under METI's DX Certification system Selected as a Noteworthy DX Company 2024 in May 2024	Continued certification under METI's DX Certification system Selected as a Noteworthy DX Company 2024 in May 2024	 Investment in GO Drive, a provider of next-generation AI dashcam services We have made a joint investment with ZENRIN CO., LTD. in GO Drive Inc. GO Drive was established by GO Inc., the provider of the GO taxi app. The company offers DRIVE CHART, a next-generation AI dashcam service that helps reduce accidents, among others. It aims to co-create innovative, value-added services that help solve customer issues by creating a data business.
		Diminishment of customer value propositions due to obsolescence of existing business models	Continued certification under METI's DX Certification system	Continued certification under METI's DX Certification system	Continued certification under METI's DX Certification system Selected as a Noteworthy DX Company 2024 in May 2024	Continued certification under METI's DX Certification system Selected as a Noteworthy DX Company 2024 in May 2024	
	 Opportunities  Risks	Expansion of customer value propositions through utilization of social infrastructure assets indispensable to daily life	Contract value, etc. (lease contract value, financing amount, investment amount, etc.) Number of rental cars owned	— —	¥641.2 billion 35,000	¥568.4 billion 35,000	
		Emergence of stranded assets due to deterioration of social infrastructure	Ratio of rental cars equipped with safety features (automated brakes, etc.) Number of vehicles with telematics services	— —	97.4% 88,000	99.4% 89,000	
Contribution to social infrastructure development 	 Opportunities  Risks	Expansion of customer value propositions through utilization of social infrastructure assets indispensable to daily life	Contract value, etc. (lease contract value, financing amount, investment amount, etc.) Number of rental cars owned	— —	¥641.2 billion 35,000	¥568.4 billion 35,000	 Commencement of joint development of an eco-friendly hotel in Singapore We began joint development of Hotel Indigo Changi Airport at Singapore's Changi International Airport Terminal 2 with OUE Limited, a leading Singapore-based real estate development and healthcare company. By incorporating sustainable features such as solar panels, we aim to develop Singapore's first zero-energy hotel that reduces environmental impact.
		Emergence of stranded assets due to deterioration of social infrastructure	Ratio of rental cars equipped with safety features (automated brakes, etc.) Number of vehicles with telematics services	— —	97.4% 88,000	99.4% 89,000	
	 Opportunities  Risks	Increased range of business opportunities related to a circular economy focused on the value of assets	Contract value, etc. (lease contract value, financing amount, investment amount, etc.) Number of secondhand computers sold	— More than 508,000 (fiscal 2025)	¥473.0 billion 351,000	¥481.9 billion 425,000	
		Higher costs related to waste processing Damage to reputation due to environmental pollution	Number of secondhand computers sold Number of units handled by ITAD services	1,700,000 (fiscal 2025)	1,695,000 (fiscal 2025)	1,648,000	
Enhancement of work environment, leading to strengthening of human resources 	 Opportunities  Risks	Recruitment of diverse human resources	Ratio of women among new-graduate hires	Maintain at least 40% (fiscal 2027)	53.2%	40.4%	 Development and enhancement of the office environment We have designed our headquarters and other offices with a layout specifically intended to foster interaction and communication. We provide a variety of spaces, including areas for casual discussions, open lounges, and café areas for relaxation. We have also installed private dining-style and teleconference booths. These help foster a workplace environment where all officers and employees can feel energized and productive.
		Revitalization of human resources by improving employee engagement	Ratio of female managers among all managers	30% or higher (fiscal 2030)	12.0%	13.7%	
	 Opportunities  Risks	Loss of talented human resources Difficulty in securing human resources due to an unattractive work environment Lack of innovation	Rate of childcare leave acquisition by male employees Engagement score	Maintain 100% Improve engagement score (fiscal 2027)	100% 53.2 BB	100% 56.2 BBB	

* For details on KPIs related to our materiality (key issues), please also refer to the Materiality section on our corporate website.

 <https://www.tokyocentury.co.jp/en/sustainability/materiality/>