

FY2022 Performance and Progress

Material Issues

Material Issues		Tracking Indices	FY2030 Achievement Score	FY2022 Performance
■ Main elements that make up a corporation				
Corporate Vision	<ul style="list-style-type: none"> To be a strong corporation with great vitality that evolves in the face of any environmental changes or risks To be a corporation that contributes to the realization of a sustainable society through all of its corporate activities 			
Business Vision	<ul style="list-style-type: none"> To be recognized by those at the cutting edge of technology as the leader in the exploration of Kiru, Kezuru, Migaku 	<ul style="list-style-type: none"> Affirmative response rate for the applicable item in Customer Satisfaction (CS) survey 	80% or more	85.6%
	<ul style="list-style-type: none"> To dedicate ourselves to reducing the environmental impact of our value chain 	Response to climate change <ul style="list-style-type: none"> 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) Long-term goal: Reduce carbon emissions of the entire supply chain by FY 2050 (Scope 1 + 2 + 3) 	Carbon neutrality	GHG emissions Scope1+2 45,654 t-CO ₂ Scope1+2+3 1,445,902 t-CO ₂
Economic Vision	To have sufficient economic competent and structure to support our growth as a corporation	<ul style="list-style-type: none"> Consolidated ordinary income margin averaged over four-year period 	20% or more	34.4%
		<ul style="list-style-type: none"> Consolidated RORA in averaged over four year period 	20% or more	41.1%
Social Evaluation Vision	For the DISCO name to have a good reputation within society	<ul style="list-style-type: none"> Number of articles published in the media about the company's promotion of sustainability 	3 every year	6
Organization Vision	To be a simple and organic organization that is able to respond quickly to changes	<ul style="list-style-type: none"> Yearly structural cost reduction from improvement activities (compared to previous fiscal year) 	5% or more	5.0%
		<ul style="list-style-type: none"> Percentage of divisions that have a Division Will Productivity (ordinary income ÷ total labor costs) of 1.0 or above 	80% or more	100%
	<ul style="list-style-type: none"> To possess the ability to self-correct regarding cheating 	<ul style="list-style-type: none"> Percentage of employees undergoing company compliance education Percentage of reports that are reported to the company report point of contact that are handled/solved Affirmative response rate for the applicable item in Employee Satisfaction (ES) survey 	100% 100% 80% or more	100% 100% 96.1%*1
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"> Percentage of attendance in training workshops for DISCO VALUES 	95% or more	99.8%
		<ul style="list-style-type: none"> Affirmative response rate for the applicable item in Employee Satisfaction (ES) survey 	80% or more	93.6%*1
Corporate Culture Vision	For the corporate culture to cultivate the individual, and the individual to improve upon the culture <ul style="list-style-type: none"> To have a corporate culture in which diversity is mutually recognized and incorporated 	<ul style="list-style-type: none"> Affirmative response rate for the applicable item in Employee Satisfaction (ES) survey 	80% or more	94.4%*1
		<ul style="list-style-type: none"> Percentage of attendance in company education seminars regarding diversity 	100%	88.9%*2

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■ Relationship with stakeholders				
Employees	<ul style="list-style-type: none"> To create a workplace of true colleagues who are able to share their honest opinions with each other To create an environment that readily realizes a lifetime work-life balance and have a system of remuneration in place that rewards contributions To create an environment that incorporates health, safety, and security 	<ul style="list-style-type: none"> Affirmative response rate for the applicable item in Employee Satisfaction (ES) survey 	80% or more	83.7% *1
				79.2% *1
				95.5% *1
Customers	<ul style="list-style-type: none"> To realize a high level of satisfaction through prompt support To realize hassle-free services 	<ul style="list-style-type: none"> Affirmative response rate for the applicable item in Customer Satisfaction (CS) survey 	80% or more	90.0%
Shareholders	<ul style="list-style-type: none"> To maintain an exceptional level of vitality and constantly evolve To realize and constantly enhance sincere and high-quality governance 	<ul style="list-style-type: none"> The predicted necessary funds were secured through cash equivalents at the end of the fiscal year, and these were tangible funds with no debt Additional dividends continue to be paid with surplus cash No. of new unique processes released Consolidated sales of consumables Comprehensive evaluation of effectiveness of board of directors meeting (out of 6 points) Evaluation results of the representative executive officer's adequacy by the representative executive officer evaluation committee (out of 6 points) Percentage of sustainability issues recognized FY2022-FY2029 resolved*3 	<ul style="list-style-type: none"> 1 every 3 years 170 billion yen 5 or more 5 or more 100% 	Achieved
				Achieved (and continuing)
				4 71.5 billion yen
Suppliers	<ul style="list-style-type: none"> To form relationships so that DISCO is given top priority as necessary For both parties to share their challenges toward the realization of a sustainable society 	<ul style="list-style-type: none"> Affirmative response rate for the applicable item in Supplier Satisfaction (SS) survey Percentage of amount paid to suppliers with whom we have shared our sustainability procurement policy (out of overall amount) Percentage of amount paid to suppliers who have agreed to our sustainability procurement policy (out of overall amount) 	<ul style="list-style-type: none"> 80% or more 95% or more 90% or more 	95.4%
				71.5%
				61.1%
Local Community	<ul style="list-style-type: none"> To make DISCO-like contributions to the local community To respect the local culture 	<ul style="list-style-type: none"> Percentage of regional issues resolved per affiliate office 	90% or more	In progress

*1 Calculated as the average ratio of positive responses across multiple questions.

*2 FY2023 progress (as of the end of Sep. 2023) is shown since this activity began in FY2023.

*3 Tracking indices were changed in consideration of performance.

Environmental Vision

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Climate change	Dedication to the reduction of greenhouse gases	• Greenhouse gas emissions related to DISCO's business activities	Carbon neutrality Scope 1 and 2 (by 2030) Scope 1, 2 and 3 (by 2050)	GHG emissions Scope1+2 45,654 t-CO ₂ Scope1+2+3 1,445,902 t-CO ₂
Water resources	Effective use of water resources in the DISCO Group	• Percentage recycled	90% or more (by 2040)	43.3%
Recycling of resources	Effective use of resources	• Percentage of recycled wastes *Head Office and production facilities	100% for two consecutive years (by 2030)	99.75%
Biodiversity	Reduced impact on the natural environment	• Percentage of supply chain for which environmental impact has been surveyed and identified.	99% or more (by 2025)	In progress
		• Percentage of implemented reductions to environmental impact, including in the supply chain	To be established based on the survey results	–
Prevention of chemical substances and pollution	• Prevention of environmental accidents	• No. of environmental accidents and near misses	Zero for two consecutive years (by 2030)	In progress Accidents: 0
	• To prevent environmental damage caused by the use and manufacturing of products	• 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	100% (by 2027)	In progress

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