

Medium-Term Management Plan and Sustainability Management

# Sustainability Promotion Structure

## The Sustainability Committee and CFT

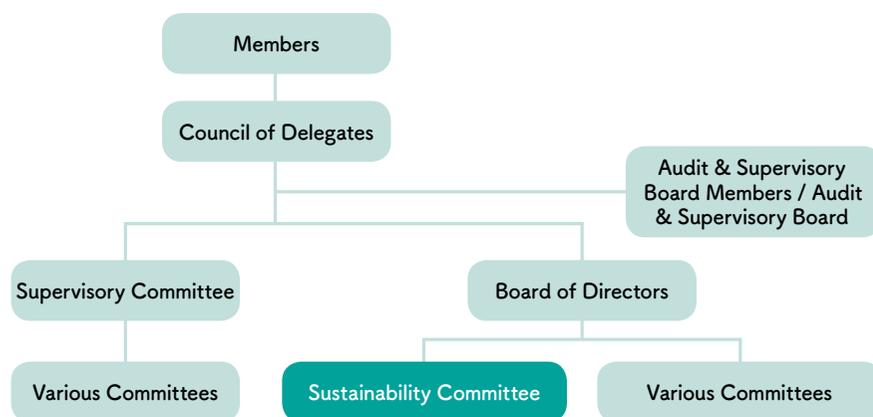
We have established the Sustainability Committee under the board of directors to achieve sustainability-oriented management.

The Sustainability Committee discusses and deliberates a variety of topics, such as the direction of sustainability-oriented management and overall planning.

In 2019, we launched the Cross-Functional Team (CFT) to explore sustainability-oriented management across our entire organization and to create synergistic effects within each division.

The CFT is headed by directors in charge of business administration and risk management. CFT members come from a variety of divisions gathered together for cross-division discussions to formulate specific plans, and to develop stances related to sustainability. In fiscal 2019, we held seven meetings of the Sustainability Committee and eleven meetings of the CFT.

Diagram: Sustainability Promotion Structure



Status of Sustainability Committee Meetings

Key Details	
Apr 2019	External call for sustainability management
Jun 2019	Sustainability Report 2019 content
Jul 2019	Position on planning for a sustainable fiscal 2020
Sep 2019	Established Environmental Policy, Human Rights Policy
Oct 2019	Fiscal 2020 plan review status Expanded sustainability management to Group companies
Mar 2020	Awareness of the state of sustainability management, future action policies
Mar 2020	Policy for issuance of Sustainability Report 2020

Diagram: CFT Structure



Status of Sustainability Management CFT Meetings

Key Details	
Mar 2019	CFT kickoff, reviewed status of various policies (e.g. for formulation of Environmental Policy, Human Rights Policy)
Apr 2019	Review of various policies (e.g. status of initiatives for TCFD disclosure, reviewed status for ESG investment/loans)
May 2019	Review of various policies (e.g. review status for formulation of Environmental Policy, Human Rights Policy, sector policy)
May 2019	Toward policy formulation for fiscal 2020 (brainstorming sustainable policy ideas, exchange of opinions)
Jul 2019	Same as above (position/direction for formulating management plan)
Jul 2019	Same as above (reconfirming direction after sharing committee discussions, Q1 initiatives)
Sep 2019	Toward policy formulation for fiscal 2020 (first draft reports from business headquarters) Establishment of Environmental Policy, Human Rights Policy (for November external release) Expanded sustainability management to Group companies
Oct 2019	Toward policy formulation for fiscal 2020 (discussion based on first drafts)
Oct 2019	Same as above (discussion for policy determination, policy budget)
Dec 2019	Status of preparation for fiscal 2020 policies (e.g. direction for implementation of various policies)
Mar 2020	Awareness of state of sustainability management, future action policies Policy for issuance of Sustainability Report 2020