

ESG Action Plan 2021

ESG	Key Issue	Person in Charge	Objective	KPI	Target Value			
					2021	2022	2023	2030
E (Environment)	Climate Change (Scope 1+2)	Mihashi	Reduce GHG emissions from business activities by 60% by 2030	GHG emissions reduction amount / rate	35%	38%	40%	60%
			Raise renewable energy usage to 70% by 2030, Group-wide	Coverage rate by Renewable Energy	50%	53%	55%	70%
			Reduce production times 30% through production process reviews (vs. FY2020)	Production time reduction rate for target models	15%	25%	30%	(tbd)
	Value Chain (Scope 3)	Tsukakoshi	Promote the use of renewable energy by suppliers and contractors	Number of suppliers who have introduced renewable energy	10	20	40	(tbd)
		Tsukui	Reduce CO2-equivalent emissions (basic unit) per test by 50% by 2030	Reduction rate in basic units (vs. FY2018)	→	→	20%	50%
	Green Products	Tsukui	Develop products that are free from polluting substances	Fluorocarbon Refrigerant (FCR) will no longer be used in next-generation models	New methodology in development plan		Announce release plan	FCR totally eliminated from next-generation models
	Resource Recycling	Fujita	Improve in-house recycling rate by promoting the 3Rs	Waste recycling rate	JPN: 90% Other region: 73% or more	→	→	JPN: 90% Other region: 73% or more
Maintain Group-wide water usage at FY2016 levels			Water resource usage	288,000m3/year	→	→	288,000m3/year	
Biodiversity	Mihashi	Promote nature conservation activities (protection of endangered species in biotope, tree planting, beach clean-up, etc.)	Planning and implementation rate of nature conservation activities	10 activities planned, 80% implemented	14 activities planned, 80% implemented	18 activities planned, 80% implemented	20 activities planned, 80% implemented	
S (Social)	ESG management at Supply Chain	Tsukakoshi	Share and solve / mitigate ESG issues (risk management, human rights / occupational safety, environment, fair trade, compliance, etc.)	Due diligence implementation rate for major customers	90%	95%	100%	100%
	Diversity Protection and Respect for Human Rights	Fujita	Fair treatment in gender	Femal manager ratio	9.0%	→	→	(tbd)
			Edification and practice of Human Rights	Participation rate of educational training	100%	→	→	100%
			Work-Life Balance	Return-to-work rate after maternity leave (ATJ) Exercise rate of childcare leave by male (ATJ)	100% 12%	→ →	→ →	(tbd)
		Tsukakoshi	Conflict minerals elimination	Elimination of Red List smelter	100%	→	→	100%
	Customer Satisfaction	Sakamoto	Raise customer satisfaction under New Normal circumstances	ranking of VLSIresearch customer satisfaction survey	1st	→	→	1st
	Employee Engagement	Keith Hardwick	Edification and improvement of attractive corporate culture	Score of Gallup survey	3.5	→	→	(tbd)
Occupational Safety and Health Health Management	Fujita	Infectious disease countermeasures (e.g. Covid-19) and occupational safety	Number of workplace accidents (frequency rate)	0	→	→	0	
		Promotion of Health Management	to be selected in White 500 (ATJ)	Do	→	→	Do	
G (Governance)	Board Effectiveness	Yoshida	Update business and management issues to outside directors	3 times / year	Do	→	→	Do
			Vitalize discussion through Off-site meeting by board members	2 times / year	Do	→	→	Do
			Succession Plan	Policy/Process making, planning, updates	Do	→	→	Do
			Diversity of board members	Outside director (> 40%), must have femal members	Do	→	→	Do
			Add ESG performance assessment on compensation	Start from FY2022	Plan	Do	→	Do
	Corporate culture and code of conduct	Fujita	Work Shop / Training for all employees (The Advantest Way, Law, Regulations, Information securities, etc)	Participation rate to e-learning (100%)	100%	→	→	100%
	Compliance, Risk Management		Strengthening Internal Cotrol	Regularly discuss about Internal Control issues	Do	→	→	Do
Promotion & Support of ESG management (Sustainable Management Working Group)	Mihashi	Support & Report group-wide Policy, Strategy, Plan and implementation	Report to Management Council and BoD (once a year)	Do	→	→	Do	
		Timely and appropriate disclosure (Integrated Annual Report, Sustainability Databook)	Issuance every year	Do	→	→	Do	