

Category	Key Issue	Corresponding Social Issue/ Need	Opportunities	Risks	2030 Goal and Relation to SDGs	Actions and KPIs for 2030 Goal
Social value creation through business	Improving labor productivity at SMEs through DX	<ul style="list-style-type: none"> Sluggish labor productivity at Japanese SMEs IT and DX at SMEs (Prevention of large-scale infectious diseases) 	<ul style="list-style-type: none"> Increased organizational cohesiveness and employee motivation Positive impact on brand reputation and sales Increased sales 	<ul style="list-style-type: none"> Decreased organizational cohesiveness 	<p>Create solutions that enable anyone to move forward through our business platform, which serves as a base for digitalization and DX, and help achieve sustainable management, primarily at SMEs</p> 	<p>Number of Japanese SMEs using our business platform: over 1 million companies</p> <p>*Our business platform refers to Chatwork and a suite of services related to DX solutions based on the use of Chatwork</p>
	Creating human resources who can work in a fun and creative way	<ul style="list-style-type: none"> Shortage of IT engineers Social expectations for increased productivity Change in worker values (Gen Z, emphasis on job satisfaction) Health management Social expectations for the resolution of social issues 	<ul style="list-style-type: none"> Improved employee job satisfaction Improved labor productivity and value creation Positive impact on acquiring and retaining talented human resources Positive impact on brand reputation Improved employee engagement, reduced turnover 	<ul style="list-style-type: none"> Decreased organizational cohesiveness (if philosophy not put into practice) Lowered employee motivation/engagement Reduced labor productivity Increased turnover 	<p>Create a working environment where each individual embodies our mission, vision, and values, leading to corporate growth and personal fulfillment</p> 	<ol style="list-style-type: none"> Have ambassadors spread value awareness Conduct an engagement survey (engagement survey to be conducted in FY2023; KPIs to measure engagement status to be established in the future)
Issues related to enhancing value creation infrastructure	Ensuring reliable quality as business infrastructure	<ul style="list-style-type: none"> Quality assurance for IT services 	<ul style="list-style-type: none"> Improved brand reputation Decreased churn rate Positive impact on sales 	<ul style="list-style-type: none"> Decreased brand reputation Increased churn rate Reduced sales 	<p>Achieve and maintain reliability and system uptime appropriate for social infrastructure as well as excellent product quality that meets the expectations of many users, including SMEs</p>	<ol style="list-style-type: none"> IT service system uptime: 99.5% or higher on an ongoing basis Enhance organizational capacity for product development <ol style="list-style-type: none"> Build an organization that integrates development and operations Establish a team dedicated to quality assurance and enhance quality in the development process Establish and invest in education and training programs
	Advanced information security and privacy protection	<ul style="list-style-type: none"> Information leakage and inappropriate use 	-	<ul style="list-style-type: none"> Risk of operation stoppage Risk of litigation and damages Major loss for brand reputation Reduced sales 	<p>Establish and operate security infrastructure suitable for social infrastructure</p>	<ol style="list-style-type: none"> Under the supervision of the CEO, formulate security strategies in response to social conditions and business strategies related to information security, and enhance security management throughout the entire company Establish and operate an independent audit system to monitor security functions Acquire and operate under SOC2, an international security certification Major security incidents: 0 <p>*Service Organization Control Type 2, a cybersecurity compliance framework developed by the Association of International Certified Professional Accountants (AICPA)</p>
	Achieving corporate governance that drives corporate value enhancement	<ul style="list-style-type: none"> Enhancement of corporate governance 	<ul style="list-style-type: none"> Increased management efficiency, enhanced internal controls Positive impact on corporate value enhancement 	-	<p>Implement highly effective corporate governance that enables the Chatwork Group to achieve dramatic growth and long-term corporate value enhancement through exceptional value creation</p>	<ol style="list-style-type: none"> Ensure the diversity of the board of directors (clarify functions to be acquired by the board, disclose skill matrix, etc.) Enhance supervisory functions, etc. (at least 50% independent outside directors, increase separation of supervisory and executive functions, establish an internal audit office, evaluate board effectiveness, enhance disclosure of executive compensation) Strengthen supervision of response to sustainability issues and information disclosure (establish a Sustainability Committee, disclose ESG information)
	Conducting business activities with integrity for all stakeholders	<ul style="list-style-type: none"> Compliance with laws and regulations, respect for social norms 	<ul style="list-style-type: none"> Positive impact on reputation Creation of good relationships with stakeholders Positive impact on organizational culture 	<ul style="list-style-type: none"> Increased compliance risks Negative impact on organizational culture 	<p>Provide an environment where each and every employee can take on the challenge of achieving our mission with peace of mind by creating an organization that practices our value of "stay true to our team, customers, and society."</p>	<ol style="list-style-type: none"> Number of compliance issues: 0/year (target: consolidated group) Number of whistle-blowing cases (cases/year, monitoring indicator; target: consolidated group) Compliance training participation rate: 100% (target: consolidated group)
	Conducting sustainability management to achieve corporate philosophy	<ul style="list-style-type: none"> Increase in demand for the resolution of social issues through business 	<ul style="list-style-type: none"> Enhanced non-financial competitiveness that supports sustainable growth Improved ESG evaluation 	<ul style="list-style-type: none"> Relative decline in non-financial competitiveness 	<p>Integrate a sustainability perspective into management and business activities, and have all executives and employees help create a better society by pursuing our mission and vision</p> 	<ol style="list-style-type: none"> Establish sustainability management infrastructure with the cooperation of each division (assign a Chief Sustainability Officer, identify materiality, set goals and KPIs, disclose ESG information, etc.) Conduct basic training on sustainability and ESG Implement training on Chatwork's sustainability initiatives for new employees
	Becoming a trustworthy brand and enhancing engagement	<ul style="list-style-type: none"> Continuous need for excellent IT services 	<ul style="list-style-type: none"> Improved brand reputation Positive impact on marketing and recruitment Enhanced relationship with stakeholders 	<ul style="list-style-type: none"> Relative decline in business competitiveness (recognition, marketing, recruitment) 	<p>Create sustainable social value via co-creation with stakeholders through philosophy-based brand communication</p>	<ol style="list-style-type: none"> Conduct survey on corporate brand recognition and reputation (survey to be conducted in FY2023; KPIs to be established in the future)
	Diversity management to achieve new value creation	<ul style="list-style-type: none"> Respect for diversity 	<ul style="list-style-type: none"> Become an organization where diverse human resources can actively participate Positive impact on innovativeness Improved organizational resilience 	<ul style="list-style-type: none"> Relative decline in competitiveness due to not being able to use diverse human resources 	<p>Be an organization in which diverse human resources continue to create new value by leveraging their strengths and individuality</p> 	<ol style="list-style-type: none"> D&I training participation rate: Maintained at 100% (target: consolidated group) Positive response rate to questions on employee awareness survey such as "I think our organization accepts people with diverse attributes and links them to organizational strength": 90% Parental leave utilization rate by gender: 100% for men, 100% for women
Contribution to solving global social issues	Internationally recognized human rights standards	<ul style="list-style-type: none"> Increase in demand for internationally recognized human rights 	<ul style="list-style-type: none"> Secured social trust Creation of an open workplace 	<ul style="list-style-type: none"> Increased reputation and compliance risks 	<p>Achieve a culture and business activities that respect human rights, which are understood by all executives and employees</p> 	<ol style="list-style-type: none"> Human rights training participation rate: 100% by 2024 (target: consolidated group)
	Managing energy and addressing climate change	<ul style="list-style-type: none"> Response to climate change issues 	<ul style="list-style-type: none"> Compliance with environmental laws and regulations Enhanced (medium- to long-term) service competitiveness Positive impact on brand reputation Positive impact on employee motivation 	<ul style="list-style-type: none"> Increased (short-term) costs Relative decline in brand reputation 	<p>Achieve virtually zero CO₂ emissions from our Group's business activities by 2030</p> 	<ol style="list-style-type: none"> Reduce CO₂ emissions (Scopes 1 + 2) from Chatwork Group business activities to net zero (t-CO₂) Use 100% renewable energy for electricity consumption (Scope 2) in the Chatwork Group's business activities <p>*Scope 3 to be considered and disclosed in the future</p>