Ever since a design firm was started by our founder, we have made continual changes in our mindset to cater to the evolving trends of the times, eventually developing our current business model as a technical service provider and creating value for engineers.

External environment and social

issues

Low birthrate

and aging

population

Shortage of

talents

(engineers)

Accelerated

digitization

Diversification

of values

and needs

Mobility and

diversity

of talents

Diversification

of work styles

and changes in

employment

practices

Dealing with a

"with-COVID"

and

"post-COVID"

society

Increased

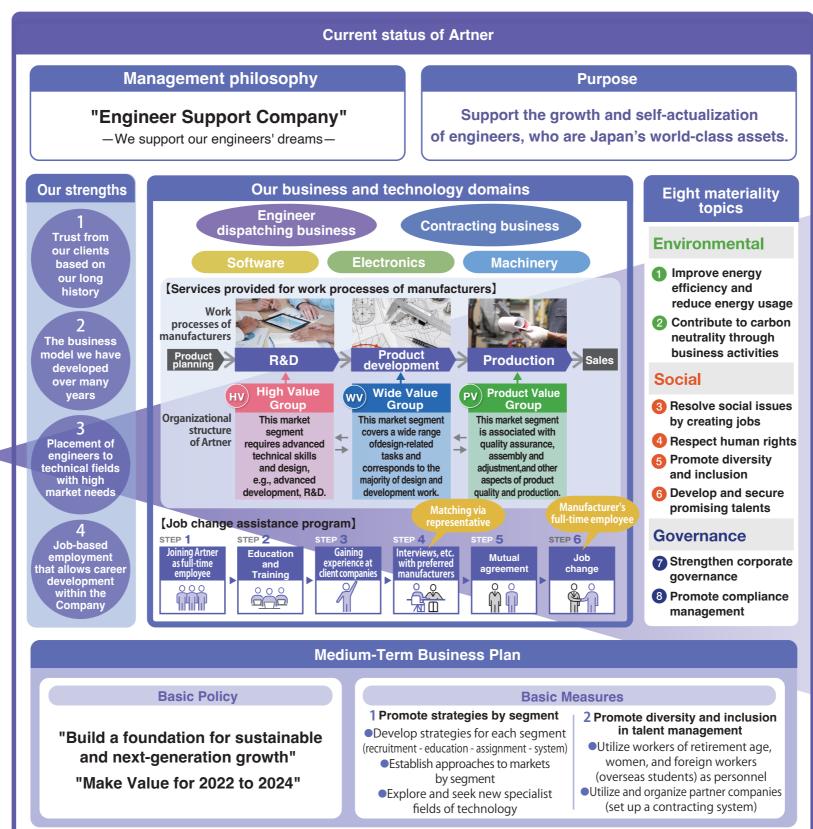
uncertainty in

global trends

Advanced

sustainability

management



Values provided

For our clients

 Placement of engineers with high added value

For our partners

 Co-creation of value

For our employees

• Aiming for the happiness of all the employees and reflection within the company(*)
• Retention of employment

For our shareholders

•Sustainable growth •Profit distribution

Medium- to long-term goals

Achieve our purpose, company motto and management philosophy

Contribute to the achievement of a sustainable society

With carbon neutrality as one of the pillars of our Medium-Term Business Plan, we are committed to solving social issues through our business activities.

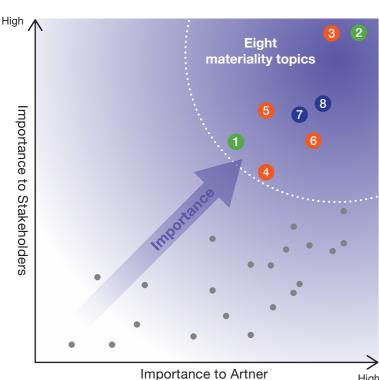
*We put our specific meanings into these words. Happiness represents the idea that people will become happy by acting on their own initiative, rather than waiting for something to be offered. Reflection is the idea that, by illuminating and shining on each other, we will create a culture of promoting reflective prosperity.

ARTNER CO., LTD. Annual Report 2023 | 10

Considering stakeholder interests and social issues, as well as their impact on our business management, Artner has identified eight materiality topics that should be prioritized. Based on our understanding of the importance of the materiality topics we have identified, we are committed to engaging in effective management practices and business activities to resolve these issues.

Identification Process of Materiality

Identify the issues We analyzed potential materiality topics based on various international standards, ESG-related external evaluations, and requirements from society including stakeholders. Thirty-one topics were identified. Prioritize the issues The identified issues were assessed by conducting internal and external stakeholder surveys in terms of their expectation and requirement levels for Artner, and then prioritized by two criteria: "importance to stakeholders" and "importance to Artner." Validate and determine the material issues Selected and prioritized issues were reviewed in the Sustainability Committee for validation to finalize Artner's eight materiality topics.



Eight Materiality Topics ESG Categories, Related SDGs

Through its business activities, Artner aims to help resolve social problems, thereby contributing to the realization of the UN's Sustainable Development Goals (SDGs) for the world.



The Member States of the United Nations adopted the Sustainable Development Goals (SDGs) in September 2015. The aim of the SDGs is to achieve 17 goals by 2030 with a view towards ending all forms of poverty, fighting inequalities, and tackling climate change while ensuring that no one is left behind.

Catagony		lio.		D. I. J. 1000		
	Category	ID	Item	Related SDGs		
	Environmental	1	Improve energy efficiency and reduce energy usage			
	Liiviioiiiieiitai	2	Contribute to carbon neutrality through business activities	9 NORTH AND NEWSTRUCTURE 13 ACTION		
	Social	3	Resolve social issues by creating jobs	8 DESERT HORSE AND ECONOMIC GROWTH 9 ROUSTRY AMOUNTAIN TRACEION 13 ALTON 13 ALTON		
		4	Respect human rights	8 DESERT WORK AND ECONOMIC GROWTH 10 INCOMMITTES		
		5	Promote diversity and inclusion	5 GENOUR TO NETWICED SEQUENTIES		
		6	Develop and secure promising talents	4 COUNTY EDUCATION 17 PARTNESSHIPS FOR THE COALS		
	Governance	7	Strengthen corporate governance	-		
		8	Promote compliance management	16 PAGE, RISTIDE AND STRONG INSTITUTIONS		

Obevelop and secure promising talents

The promote compliance management

To strengthen corporate governance

Eight materiality topics

2 Contribute to carbon neutrality through

Resolve social issues by creating jobs

5 Promote diversity and inclusion6 Develop and secure promising talents7 Strengthen corporate governance

business activities

4 Respect human rights

1 Improve energy efficiency and reduce energy usage

11 ARTNER CO., LTD. Annual Report 2023

Category	D Item	KPI	Target	Recent result (FY2023)	Result (FY2022)	Related SDGs	Related Pages
	Improve energy efficiency and	Greenhouse gas (GHG) emissions (Scope 1 and Scope 2)	Net zero (FY2051)	93.3 tCO2 (FY2023)	97.3 t of CO2 (FY2022)	13 CLINATE	P.23-24
Foreign montal	reduce energy usage	Reduction rate of copy paper used	Reduction on an ongoing basis	5.9% reduction (FY2023)	14.5% reduction (FY2022)	13 const	
Environmental	Contribute to carbon neutrality through business activities	Share of engineers placed in carbon neutrality projects among all engineers	50.0% (FY2025)	46.1% (FY2023)	41.3% (FY2022)	9 MONTH MONTH 13 MINI	
	Resolve social issues by creating	Share of carbon neutrality recruitment targets for new graduates	55.0% (FY2025)	46.1% (FY2023)	47.9% (FY2022)	8 mon varior 9 mon varior 13 mm	P.17-18
	jobs	Share of carbon neutrality recruitment targets for career hires	55.0% (FY2025)	62.0% (FY2023)	48.6% (FY2022)		
	4 Respect human rights	Percentage of employees who have received harassment training	100%	100% (FY2023)	100% (FY2022)	8 DECENT WORK AND 10 REDUCES INCOME. CROWTH 10 INCOME.	P.27
		Number of inquiries to harassment helpline	Appropriate response to inquiries	None (FY2023)	None (FY2022)	8 STOCK NOW AND 10 STOCKARTS 10 STOCKARTS 10 STOCKARTS	
		Share of female employees (engineers)	-	4.1% (FY2023)	3.7% (FY2022)		P.27-28
		Share of female employees (administration)	-	27.6% (FY2023)	31.4% (FY2022)		
		Share of female employees (engineers) among new employees	-	6.4% (FY2023)	3.0% (FY2022)		
		Share of female employees (administration) among new employees	-	27.3% (FY2023)	66.7% (FY2022)		
		Appointment of female employees (engineers) to managerial positions	Three or more (FY2024)	Two (as of January 31, 2023)	Two (as of January 31, 2022)		
		Appointment of female employees to managerial positions	Ten or more (FY2024)	Ten (as of January 31, 2023)	Six (as of January 31, 2022)		
		Share of female employees in managerial positions	Increase on an ongoing basis	3.4% (FY2023)	3.7% (FY2022)		
Social		Wage difference between male and female employees (overall)	-	Male 100%: Female 94% (FY2023)	Male 100%: Female 93% (FY2022)	F COMES	
	5 Promote diversity and inclusion	Wage difference between male and female employees (engineers)	-	Male 100%: Female 96% (FY2023)	Male 100%: Female 99% (FY2022)	5 toward 10 measures \$\Phi^{7}\$ \$\Phi^{8}\$ \$\Phi^{8}\$	
		Wage difference between male and female employees (administration)	-	Male 100%: Female 71% (FY2023)	Male 100%: Female 71% (FY2022)		
		Usage rate of childcare leave (male employees)	30% or more (FY2024)	30.8% (FY2023)	12.5% (FY2022)		
		Usage rate of childcare leave (female employees)	80% or more (FY2024)	100% (FY2023)	100% (FY2022)		
		Usage rate of nursing care leave (male and female employees)	50% or more (FY2024)	7.4% (FY2023)	1.2% (FY2022)		
		Share of non-Japanese talents	Recruitment on an ongoing basis	1.0% (FY2023)	1.4% (FY2022)		
		Share of elderly employees (60 years of age and older)	Recruitment on an ongoing basis	1.4% (FY2023)	1.4% (FY2022)		
		Employment rate of employees with disabilities	2.3% or more (legally required employment rate)	2.42% (as of June 1, 2022)	2.40% (as of June 1, 2021)		
		Percentage of the Company's former employees who used job change assistance program	1.7% (FY2025)	1.7% (FY2023)	0.8% (FY2022)		
		Average hours of annual training per employee (engineer)	Same level each year	8.2 hours (FY2023)	7.5 hours (FY2022)		P.25-26
	Develop and accura promising	Average cost of annual training per employee (engineer)	Same level each year	62,000 yen (FY2023)	63,000 yen (FY2022)	4 QUALITY 17 PARTNERSHES FOR THE FOLIAGE	
	Develop and secure promising talents	Turnover rate (engineers) *Excluding retirement and turnover via the	7.1% (FY2025)	7.7% (FY2023)	10.3% (FY2022)	4 BOULTON 17 PRETRICTIONS 17 PRETRICTIONS WHITE TO REAL SECTION SECT	
		Company's assistance program to change jobs Turnover rate (engineers)	8.8% (FY2025)	9.6% (FY2023)	11.3% (FY2022)	_	
	7 Strengthen corporate governance	Appointment ratio of Independent Directors	One-third or more	37.5% (FY2023)	37.5% (FY2022)		P.29-34 P.37-42
		Number of Outside Directors	-	Three (FY2023)	Three (FY2022)	-	
		Ratio of Outside Directors in the Nomination and Remuneration	Majority	75.0% (FY2023)	75.0% (FY2022)	_	
		Committee Evaluation of the effectiveness of the Board of Directors	Once	Once	Once	-	
Governance		Percentage of employees who have received compliance training	100%	100% (FY2023)	100% (FY2022)		P.35-36
Governance		Percentage of employees who have received compliance training	100%	, ,	100% (FY2022)	-	
	Promote compliance management	training		100% (FY2023)	, ,	16 PERSE METERS	
		Number of major compliance violations	None	None (FY2023)	None (FY2022)	<u>Y</u>	
		Number of major information security incidents	None	None (FY2023)	None (FY2022)		
		Number of inquiries to whistleblowing helpline	Appropriate response to inquiries	None (FY2023)	None (FY2022)		

ARTNER CO., LTD. Annual Report 2023 | 14 13 | ARTNER CO., LTD. Annual Report 2023