



2021

Corporate Social Responsibility Report

CONTENTS

2 Greeting

About SHIKOKU CHEMICALS CORPORATION

3 Management Policy

4 Sustainability in the SHIKOKU CHEMICALS CORPORATION Group

6 Corporate Governance

Compliance

Risk Management

Environmental Efforts

8 Policy

9 Priority Goals and Results of Environmental Protection in 2020

10 Environmental Conservation

11 Chemical Substance Management

Environmental Audit, Education

12 Environmentally and People-Friendly Product Lineup

14 Priority Goals of Environmental Protection in 2021

Relationship with Society

15 Product Liability

Quality Initiatives

17 Respect for Individuality and Human Rights

18 Support and Development of Employees

19 Occupational Safety and Health

20 Security and Disaster Prevention

21 Communication and Collaboration with Stakeholders

22 ESG Performance Data

23 GRI Content Index

24 Corporate Profile

Editing Policy

Our company started voluntary efforts to protect the environment in the 1990s and the Marugame Plant and the Tokushima Plant acquired ISO 14001 certification in 1998. We started publishing our environmental protection activities in 2004 and have actively disclosed information, including posting "Environmental Reports" on our website since 2017 and "Environmental and Social Reports" since 2019. In 2021, we made efforts to disclose information relevant to the GRI standards, published as "CSR Reports", and substantiated the contents related to ESG. In preparing this report, we tried to use easy-to-understand, easy-to-read expressions and structure for everyone to understand the contents, in response to inquiries from stakeholders. <Reference Guidelines>

Environmental Accounting Guidelines, GRI Sustainability Reporting Guidelines and Standards

Applicable Period

April 1, 2020 to March 31, 2021

Coverage

All offices and plant facilities of SHIKOKU CHEMICALS CORPORATION
Subsidiaries subject to consolidated accounting of
SHIKOKU CHEMICALS CORPORATION (10 domestic, 1 overseas)



Greeting

SHIKOKU CHEMICALS CORPORATION Group formulated "Challenge 1000", our long-term vision to guide the company to a new level by 2030, and launched it in April last year. Under our longstanding corporate philosophy of "Doku-sou-ryoku" (creativity), we further articulate our vision as, "Toward 'one-step-ahead', proposal company with creativity" as our vision for 2030. We aim to be a company that addresses social issues using creative ideas. We set a high goalpost for our non-financial goals such as ESG (environment, society, and governance) in addition to our financial goals, and are also working to achieve the Sustainable Development Goals (SDGs). In addition, as good corporate citizens, we set up "YONPO-YOSHI (favorable in all four directions)" as our policy to raise the awareness of our customers, employees, shareholders, and society. We hereby report on the major topics regarding the status of our contribution to these four stakeholders.

First, for "customers", we constructed a new multi-plant TAP-4 (Tokushima Advanced Chemicals Plant-4), which is capable of handling everything from prototyping to mass production; this presents an opportunity for evaluating our company's semiconductor process materials, which have increased with demands for high-performance semiconductors due to the arrival of IoT (internet of things) and the spread of 5G (the 5th generation mobile communication system). We will further strengthen our fine chemicals business by using our advanced organic synthesis technology.

Next, for "employees", we granted a total of 123,300 company shares to the employees of our group companies through the introduction of a special incentive scheme. In addition to rewarding their efforts to continue working while the impact of COVID-19 continues, we aim to increase motivation for asset formation and management participation through share ownership in their own companies.

For "shareholders", we acquired approximately 1.5 million treasury shares in the last fiscal year and canceled approximately 3 million shares, including the stock holdings, in order to enhance shareholder return and improve capital efficiency; our target for total shareholder return is 50%.

Finally, for "society", we stipulated expenditures on social and community contributions up to 1% of ordinary income every year, and invested in social bonds issued by the Japan Student Services Organization as an ESG investment in February this year.

This pandemic, which has caused considerable impact worldwide, has also transformed our lives and work patterns. The remote work environment, which has advanced greatly in our group, also revealed some problems that had been

hidden in conventional work activities. Realizations regarding unnecessary expenditures on business trips and meetings requiring travel, as well as operations based on paper, has provided an opportunity to push for innovation in work, operations, and office patterns at once. We will continue to foster an environment where employees can work efficiently by speeding up further environmental improvement and issue resolution, and work to increase employee opportunities to realize their growth and enhance engagement with the company.

In the midst of the continuing coronavirus crisis, manufacturers have encountered an increasingly unpredictable environment for business. Nevertheless, we will ensure that we continue to pursue "safe operations", "environmental conservation", and "consistent quality" with the belief that these are the foundation of our business activities, even under such uncertain circumstances.

Our group hopes to take the crisis as an opportunity in any situation, clearly defining social issues that every business should resolve, including the increasingly rapid delivery of excellent products and services to more customers. I am confident that these activities will contribute to the achievement of the SDGs that the international community aims for, as well as the realization of a sustainable society.

We appreciate your continued understanding and support.

August 2021

President and C.E.O.

Naoto Tanaka



Management Policy

SHIKOKU CHEMICALS CORPORATION Group formulated "Challenge 1000", our long-term vision to guide the company to a new level by 2030. As financial goals, we are collectively working toward sales of 100 billion yen, operating profit of 15 billion yen, and ROE (equity ratio) of 10% or higher.

We have also established "YONPO-YOSHI (favorable in all four directions)" as our corporate policy to contribute to customers, employees, shareholders, and society.

Corporate Philosophy



"We always value creativity as a driving force for company development"

- ◎ "Doku-sou-ryoku (creativity)" is the eternal philosophy of SHIKOKU CHEMICALS CORPORATION Group.
- ◎ Since inventing an innovative manufacturing method for carbon disulfide, we have considered creativity as the cornerstone of growth and the power of development.
- ◎ We will bring together the wisdom of each and every person involved, and will always break new ground using out-of-the-box ideas.

Long-Term Vision "Challenge 1000"

~ Our Vision for 2030 ~

Toward "one-step-ahead, proposal" company with creativity

Solve social issues with creative ideas,
leading the progress of the world

YONPO-YOSHI

Customers

"One-step-ahead" values

To deliver new value through unique, state-of-the-art products and services

Employees

Challenges and growth

To create an environment that cultivates a sense of real growth through various work methods and challenges, always supporting a fulfilling life

Shareholders

Profit return

We aim for a 50% total return ratio based on our consolidated performance

Community

A better tomorrow

To contribute to the resolution of social issues and to realize a prosperous living environment

Financial Goals

Net Sales

100 billions of yen

Operating Income

15 billions of yen

ROE

10%

Pillars for Strategy

Business Reform Policy

Companywide Reform Policy

Proactive Investment

Contribution to SDGs

Sustainability in SHIKOKU CHEMICALS CORPORATION Group

The Concept of Sustainability

Under our longstanding corporate philosophy of “Doku-sou-ryoku (creativity)”, SHIKOKU CHEMICALS CORPORATION Group considers addressing the global environment and social issues as one of the most important matters of management policy.

Our approach to the “vision for 2030”, set forth in our long-term vision of “Challenge 1000”, and “YONPO-YOSHI (favorable in all four directions)”, which is the action plan, defines our group’s sustainability.

Since environmental and social issues are diverse, we have identified important issues for prioritization (materiality) that will lead to sustainable company and social growth while solving issues. We will work efficiently and maximally to serve a business that contributes

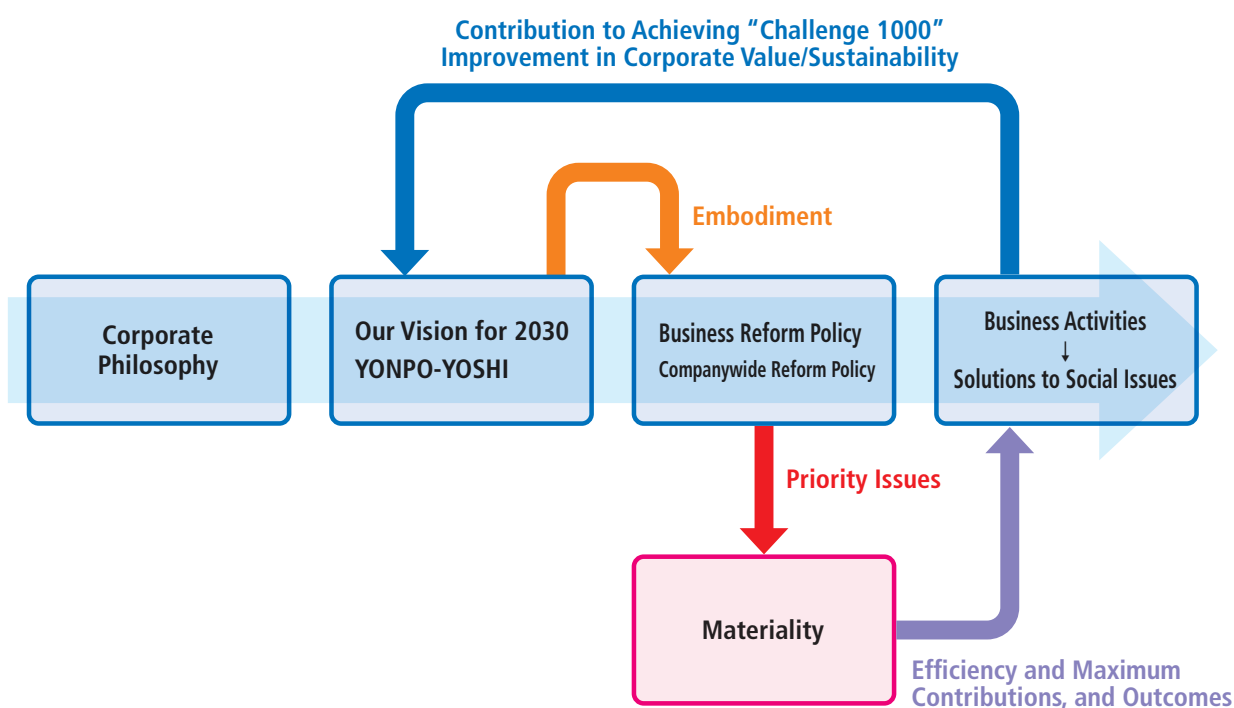
to resolving environmental and social issues and the realization of a sustainable society.

By reflecting materiality to our business activities, we will strive for both the continuous improvement of corporate value and the resolution of social issues through our main business activities.

Moreover, the achievement of the “Challenge 1000” financial goals will also lead to an increase in our management resources. This will enable material solutions that are developed from the current state in terms of both quality and quantity, and lead to greater investment. We believe this will eventually result in a higher level of contribution for each stakeholder listed in the “YONPO-YOSHI (favorable in all four directions)” policy and further improve our group’s sustainability.

Continuous Sustainability Promotion

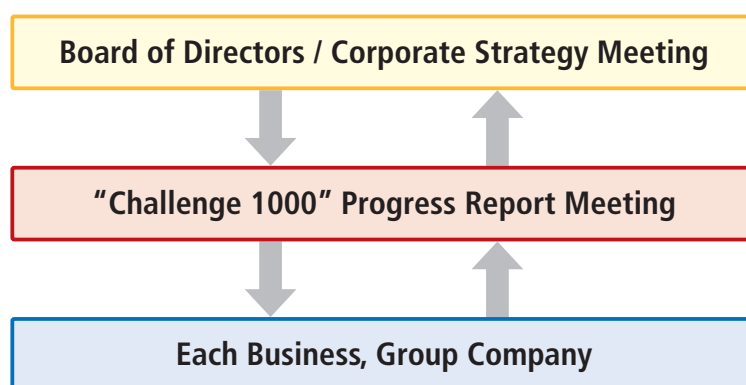
Corporate Activities = Sustainability Management



System for Sustainability Promotion

Efforts toward achieving the long-term vision of “Challenge 1000”, which is the definition of sustainability for our group, have been made by each business and group in the company; this progress is reported and discussed at the “Challenge 1000” meeting progress report. The contents of this progress report on sustainability promotion are regularly related to the Board of Directors/Executive Committee, and

decisions are made also based on environmental and social impact. In addition, we established the “Sustainability Management Dept.” in April 2021 to further promote sustainability activities in our group, including the SDGs. Our group will continue to actively work on providing information to stakeholders and improving safety, health, and the environment.



Column

In response to the spread of COVID-19, the SHIKOKU CHEMICALS CORPORATION Group has acted to reduce the risk of infection and prevent infection clusters by taking measures requested by the national and local governments, with the highest priority given to ensuring the safety of employees, customers, and business partners.

Review of Work Activities

- To create a telework system, we promoted the introduction of mobile PCs and smartphones and established target attendance rates for each department, mainly sales and head office departments.
- As a policy, business trips outside Japan were prohibited, and web conferences were used for communication with customers and internal meetings.

Contribution to Solving Social Issues

- Amid a continuing nationwide shortage of alcohol disinfectants, we donated NEO-CHLOR STICK, a chlorinated isocyanurate product with a sterilizing effect, to Marugame City, a local municipality.
- Shikoku Foods & Trading Company, a group company, revamped some of their hamburger shops, and promoted the creation of outlets with improved measures against the novel coronavirus, including the installation of an exclusive window for online orders and the introduction of mobile tables and chairs.



【 Charter of Corporate Behavior 】

In developing our business activities, SHIKOKU CHEMICALS CORPORATION Group respects human rights, complies with all applicable laws and regulations as well as international rules and their spirits, and acts according to the following eight principles based on high ethical standards at the local and international levels.

- | | |
|---|--|
| <p>1 We develop and provide socially useful products and services with due consideration of safety to earn customer satisfaction and trust.</p> | <p>5 To protect the global environment, we strive to perform as a corporate citizen who cherishes harmony with nature and contributes to society.</p> |
| <p>2 We conduct transactions on the basis of fair and free competition and maintain healthy and sound relationships with the government.</p> | <p>6 We recognize the importance of intellectual property and personal information and the obligation to protect and handle them appropriately.</p> |
| <p>3 We communicate with all members of society as well as shareholders and disclose company information in an appropriate and fair manner for maximum transparency in company activities.</p> | <p>7 In international business activities, we comply with the applicable laws and regulations of each country and region, respect their cultures and customs, and contribute to regional development.</p> |
| <p>4 We secure a safe and pleasant working environment, develop employees' abilities and vigor, and respect their personalities and individuality.</p> | <p>8 We refuse unfair and illegal demands and strongly oppose any antisocial forces and groups.</p> |

Top management and board members in each company of SHIKOKU CHEMICALS CORPORATION Group recognizes that it is its role to realize the spirit of this Charter and takes the lead in an exemplary manner to implement the Charter within each company of SHIKOKU CHEMICALS CORPORATION Group. They also constantly endeavor to understand diverse voices within and outside their companies and establish effective company structures.

When a situation that threatens to breach this Charter arises, as part of their responsibility, the heads of each company of the group act strongly to resolve the problem, investigate the cause, and prevent recurrences of similar problems. In such cases, they also immediately disclose accurate information and fulfill the group's accountability to society, clarify their authority and responsibilities, and then severely punish the personnel involved, including themselves.

Risk Management

For risk management, the "Basic Risk Management Regulations", which are the highest standard for risk management, have been established, and each executive officer conducts the management within the scope of their control in accordance with the "Risk Management Manual". In addition, we have set up a system

for appropriate risk management where the aforementioned "Compliance and Risk Management Committee" oversees company-wide risk management with the C.E.O. (Chief Executive Officer) defined as the highest responsible person for risk management.

Policy

Basic Policy for Responsible Care

Philosophy

We are committed to protecting the global environment, as a broad-minded corporate citizen that contributes to a society in which harmony with nature is a priority.

Basic Policy

Our actions are based on the idea that it is the duty of each company to take steps to reduce greenhouse gas emissions, conserve resources and energy, and minimize the discharge of environmental pollutants and generation of industrial waste. These measures both protect the environment and ensure safety.

We make products that are friendly for both people and nature.

We committed to protecting the environment and to the safety and health of our employees and citizens. We will maintain good relations with the community.

Our consideration of safety and the environment will be reflected throughout the lifecycle of all of our products in a way that reduces the burden on the environment.

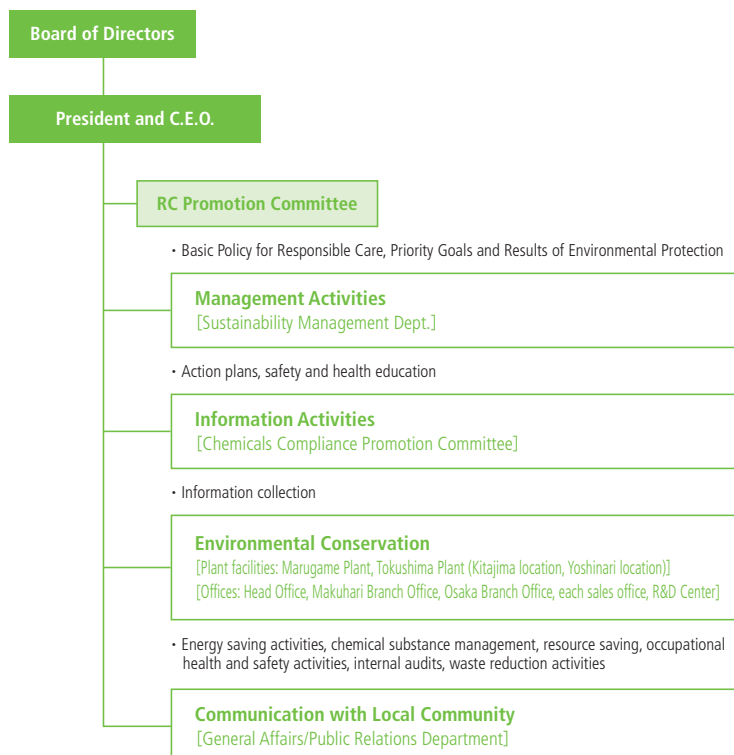


What is Responsible Care(RC)?

Responsible care(RC) refers to voluntary activities conducted by the business operators manufacturing or handling chemical substances, for the purpose of protecting the environment, safety and health throughout the entire life cycle from development, manufacturing, distribution, use, final consumption, disposal to recycle of products.

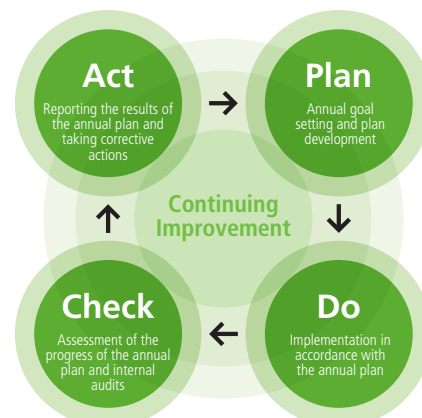
* Our company promotes its activities as a member of the Responsible Care Committee.

Environment Promotion System



With the initiative of the RC Promotion Committee, each plant facility and office has developed annual plans to achieve "Priority Goals of Environmental Protection", continuing improvement activities.

The results of these activities are assessed by management, and necessary corrective actions are taken to incorporate the outcome into the plan for the coming year, resulting in improved environmental protection activities.



Priority Goals and Results of Environmental Protection in 2020

- As for the priority goals of environmental protection in 2020, SHIKOKU CHEMICAL CORPORATION Group has worked to achieve the objectives.
- Regarding reduction of greenhouse gas emissions, we were able to significantly reduce emissions by reducing the production of insoluble sulfur and the emission factor for electricity production.
- To reduce energy consumption, we actively set three goals. While reducing insoluble sulfur production, we were able to lower intensities to nearly equivalent to the previous year by improving production efficiency.
- In accordance with ISO14001, it was confirmed that there was no abnormality in the application, compliance, and control status of laws and regulations related to the environmental conservation at each plant facility.

	Priority Goals	Scope	Target	Results in FY2020	Over View of Results
1	Reduction in greenhouse gas(GHG) emissions (CO ₂ equivalent)	SHIKOKU CHEMICALS CORPORATION Group (Scope 1,2)	・FY2030 : ▲26% from FY2013 ・FY2020 : ▲2.1% from FY2019 (Unit consumption of sales)	▲22.6% from FY2013 ▲13.3% from FY2019	We realized a dramatic reduction in insoluble sulfur production and the emission factor in electricity production.
2	Reduction in energy consumption (crude oil equivalent)	SHIKOKU CHEMICALS CORPORATION Group (Scope 1,2)	・▲1% from FY2019 (Unit consumption of energy)	▲1.4% from FY2019	As we reduced the production of insoluble sulfur, we were able to prevent any increase in the intensity through improved efficiency.
		SHIKOKU CHEMICALS CORPORATION	・Reduction by 1% of the 5-year average (energy consumption rate)	+0.5% of the 5-year average	
		SHIKOKU CHEMICALS CORPORATION (Transportation)	・▲1% from FY2019 (Unit consumption of energy)	+0.4% from FY2019	Although we carefully managed appropriate selection between scheduled and charter flights, the result was slightly higher than the previous year.
3	Management and reduction of environmental burdens on water and the atmosphere	Plant facilities	・Annual average value for drainage into the water area below the legal limit ・Atmospheric emissions lower than the emission standard specified by the Air Pollution Control Act	・Water : acceptable emission rate (COD : 1.8%,Total nitrogen:8.8%, Total Phosphorus : 0.2%) ・Air : acceptable emission rate (SOx : 0.33%,NOx : 20.5%,soot and dust : 31.3%)	We were able to manage it properly.
4	Reduction in industrial waste to be processed externally	Plant facilities	・Equal to the previous year or lower (waste per unit of production)	▲3.7% Plant facilities total	We made efforts to reduce industrial waste and achieved results equivalent to or lower than in the previous fiscal year.
5	Participation and cooperation in safety and environmental conservation activities	SHIKOKU CHEMICALS CORPORATION Group	・Safe and stable operations ・Participation in local environmental conservation activities ・Promotion of environmental conservation activities in cooperation with business partners	・Implementation of general disaster prevention training in the Marugame and Tokushima Plants ・Participation in volunteer and community-cleaning activities. ・Launched examination of establishing supply chain procurement standards	・Our emergency response capability was improved through general disaster prevention training, modelled on an actual fire. ・Even though the number of activities and events decreased due to the novel coronavirus impact, we still actively participated in all activities. ・The procurement standards are being standardized.
6	Promotion of environmental management system	Plant facilities	・Proper management of substances subject to control under the PRTR system	+62t from FY2019	Emissions increased in line with an increase in production using toluene.
		Marugame Plant, Tokushima Plant	・Actively utilize ISO14001 to control various burdens on the environment	Systematic implementation of an internal ISO14001 audit	We confirmed compliance with all laws and regulations as well as the effective operation of our management system through internal audit.

■ Scope

·SHIKOKU CHEMICALS CORPORATION Group : All of the SHIKOKU CHEMICALS CORPORATION Group companies

·SHIKOKU CHEMICALS CORPORATION SHIKOKU CHEMICALS CORPORATION alone

·Plant facilities : Marugame Plant, Tokushima Plant, Tadotsu Plant, Naruto Plant, Ranzan Plant, Oita Plant, Takase Plant

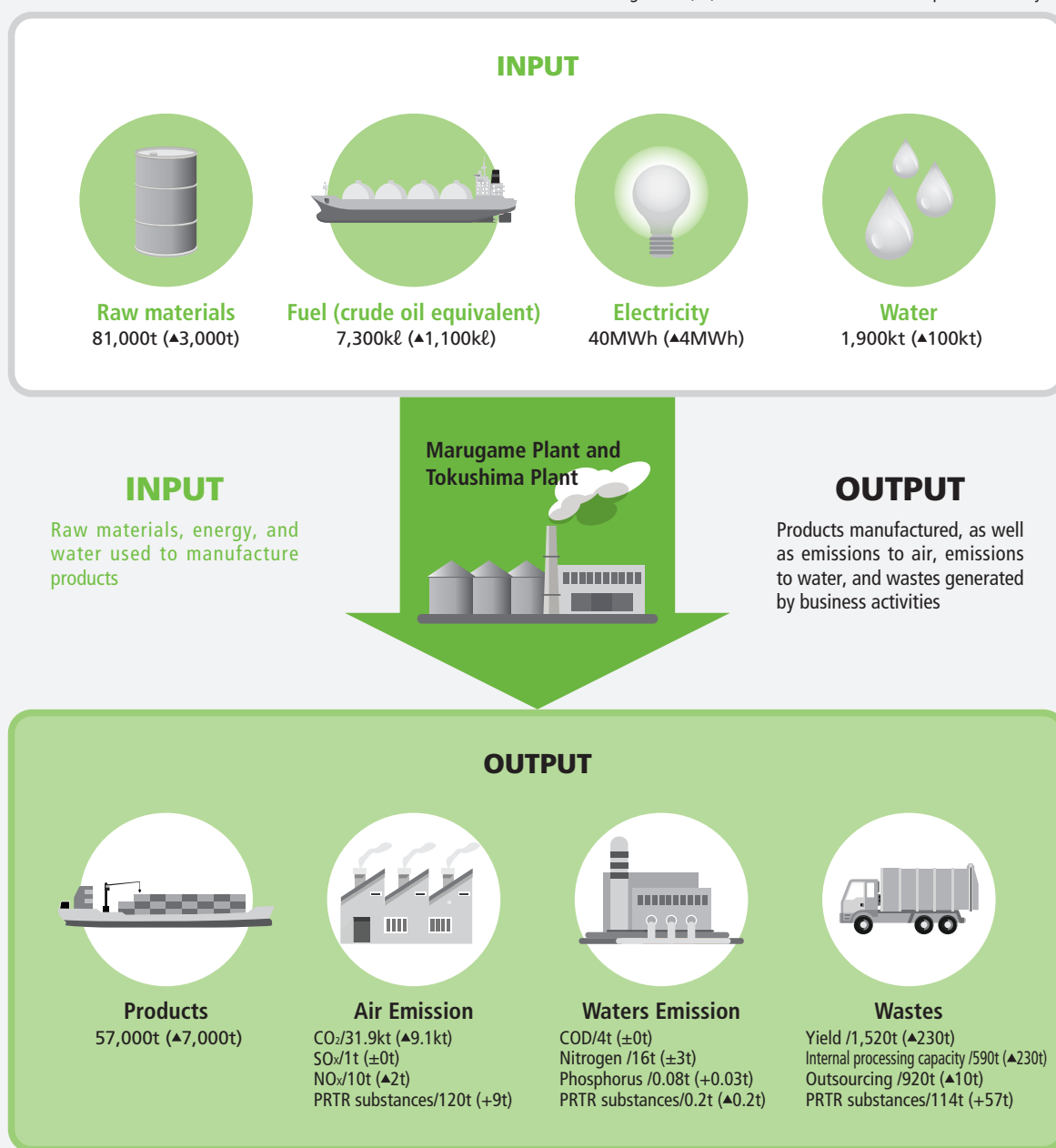
Environmental Conservation

We aim to contribute ensuring protection of the environment, safety and health of the community residents and our employees by continuously reducing environmental burdens caused by the greenhouse gas, chemical substances, and industrial wastes emitted from each of our plants and facilities.

Overview of Environmental Burden (to understand the environmental burden of production activities)

Materials Balance at Production Sites in FY2020

Figures in () indicate the variation from the previous fiscal year



* We have confirmed that the risk to the production business associated with water is low according to the water risk map (AQUEDUCT).

Chemical Substance Management

Correspondence Situation of PRTR System

The PRTR system specifies requirements for the business operators to grasp and voluntarily control the volume of chemical substances, which can be hazardous to human health and the ecosystem, discharged to the environment and moved as contained in the wastes.

* Top four substances (accounting for 92.5%) of emissions and movement : carbon disulfide, toluene, xylene and ethylbenzene.

Gas emission washing treatment facility (Tokushima Plant (Kitajima location))



This is the facility for gathering chlorine generated in the process manufacturing chlorinated isocyanuric acid and treating it by washing.

Equipment for recovery of carbon disulfide (Marugame Plant)



This is the equipment for recovering carbon sulfide used in the process manufacturing insoluble sulfur.

Environmental Audit, Education

Progress on Activities related to ISO 14001

Our Marugame Plant and Tokushima Plant (Kitajima location) acquired the certification of ISO 14001, the international standard for environmental conservation in 2002. We have been developing our environmental conservation activities with the participation of all employees. We conduct risk assessment, education, and self-audit in accordance with the activity plan established by ISO 14001.

Marugame Plant ISO 14001 certificate



Tokushima Plant (Kitajima location) ISO 14001 certificate



Eco-Action 21 Certification

In May 2018, our group company Shikoku Environmental Business Company obtained certification under "Eco-Action 21". "Eco-Action 21" refers to an environmental management system for Environmental efforts small- to medium-sized businesses developed by the Ministry of the Environment to work on energy saving, water saving, waste reduction, and related issues. Shikoku Environmental Business Company worked on waste separation, electricity saving, and promotion of a paperless environment to facilitate environmental burden reduction activities and employee environmental awareness. As a certified business, it has received a request for an interview from the Ministry of the Environment and a request from the government of Kagawa Prefecture to present case examples of its efforts. We will continue to promote these activities further in the future.



Environmentally and People-Friendly Product Lineup

SHIKOKU CHEMICALS CORPORATION Group continues to make efforts for environmental protection and manufactures products contributing the global environment and living environment, health and safety in the aspect of product development.

NEO-CHLOR

Chlorinated isocyanurates mass produced by our company for the first time in Japan in 1964. With its excellent characteristics, the pool sanitizer NEO-CHLOR series contributes to a comfortable and safe swimming environment in school and leisure pools, along with an automatic chlorine feeder NAPIX.



SPACLEAN

In bathing facilities such as hot spring and public bathhouses, it is important to always keep the water in the baths clean. In the hot water which looks clean at a glance, bacteria such as Legionella remain if it is cyclically used after only filth are removed.

SPACLEAN, a chlorinated isocyanurates-based chlorine agent dedicated for bathwater, always keeps bathwater hygienic because of the strong active chlorine. This allows people to bathe without worry when used in combination with an automatic chlorine management system. We also provide SPACLEAN BROM 60T for hot spring containing alkali and the Legio Hunter mini tablets for medium-scale and small-scale baths such as social welfare facilities.



NEO-CHLOR MARINE

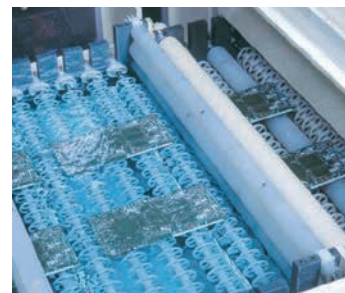
Ballast water, which is water loaded into a ship to maintain its balance, is injected at the port where cargo is unloaded and ejected at the port where cargo is loaded. To prevent damage to the environment caused by the discharge of organisms contained in ballast water, an international treaty came into effect in September 2017 to require ships to properly manage ballast water. "NEO-CHLOR MARINE" contributes to the protection of ecosystems as a disinfecting chemical agent for ballast water.



Gliccoat-SMD (Organic Solderability Preservative for printed circuit boards)

High-density surface mounting of parts using lead-free solder is the dominant technique for the printed circuit boards used in the electronic appliances such as PCs and smartphones from the viewpoint of protecting the global environment. Gliccoat-SMD is a heat-resistant water-soluble preflux which is able to provide good solderability demanded by customers even for lead-free solder which cannot be easily soldered.

Gliccoat-SMD is water-soluble, and hence, also helps make the work environment friendly to people and the earth.



Ohdelight (Agents for reduction of excess sludge)

Ohdelight is the system that reduces excess sludge generated in the wastewater treatment using the activated sludge method. This is the simple system consisting of a dissolver and a dedicated chemical agent, needs no expensive initial investment, and can be additionally installed in the wastewater treatment facilities such as rural community sewerages and food plants. The system was selected as the technology for the "Environmental Technology Verification Project" in 2011 which is the environment technology verification system established by the Ministry of the Environment. Ohdelight passed the objective verification test conducted by the third-party organization and the performance was approved.



Green Shade

As one measure against the heat-island phenomenon, green roof has been increasingly introduced in buildings. Our mid-air greening system "Green Shade" is a planter containing rainwater storage tank, covered with a two-tier mesh panel, along which a creeper grows to make a shadow of green. Our greening system solves problems seen in the existing products for green roof because it needs no large-scale renovation work and can reduce labor of watering by using rainwater and then it can be made use of green wall, too. This product also helps reduce carbon dioxide.



Keiso-kabe series

The products are wall finishing materials containing diatomaceous earth as a major ingredient and have excellent humidity control feature, heat insulating effect, and sound absorbability. They are people-friendly interior finishing materials which adsorb hazardous formaldehyde and decompose it into harmless substances. The products which can be painted directly to plasterboards needs no intercoating process when blended with carbon fibers, contributing to resource saving.

We also have renovation materials which can be applied on vinyl cloth wallpaper without stripping the wallpaper are also available.

SATORI (our wall material brand in the U.S.) acquired the Indoor Advantage TM Gold.

–What is the Indoor Advantage TM Gold ?–

The Indoor Advantage™ Gold is the U.S. standard to certify product safety and the certification is given based on the third-party certification agency. For the buildings using the certified products, the points required for the "LEED certification" indicating are given as the indoor air quality of the buildings is good. The buildings are authorized as green buildings based on the total number of points.

–What is LEED (Leadership in Energy and Environmental Design) ?–

LEED is one of the programs established and promoted by the "U.S. Green Building Council" organized and operated by the private companies mainly from the construction industry in the U.S. It is the system to evaluate how a building contributes improvement of the environment from various perspectives such as design concept and materials used.



Link Stone G (EcoMark-certified product: Certification No.08 131 008)

"Link Stone G" series are environmentally-friendly recycling paving materials made from waste glass materials such as used bottles. With high weather-resistance and excellent water permeability, the products avoid puddles being left over and are safe. This series are the EcoMark-certified products with appropriate asperities allowing people to walk comfortably on them.



Art Wall

"Art Wall" is an exterior fence that combines an aluminum frame and decorative materials. With a main light-weight body structure, it delivers the feature of having approximately 1/20* weight compared to a light-weight concrete block fence, while also presenting a sufficiently aesthetic appearance. The fence is designed to minimize the damage of accidents involving injuries in case of collapse. It is a product with excellent safety, designated as a "recommended superior part for school facilities" by the Research Institute of Educational Facilities and registered in the New Technology Information System (NETIS) of the Ministry of Land, Infrastructure, Transport and Tourism.

* The weight of Art Wall with seed paint finish is 12kg/m². Compared to this, the weight of a concrete block fence is 250kg/m² (15cm block), which is approximately 20 times larger.



Priority Goals of Environmental Protection in FY2021

SHIKOKU CHEMICALS CORPORATION Group, which is mainly engaged in manufacturing, is committed to the maintenance and control of facilities, as well as disaster prevention to ensure stable and safe operations. We also aim to ensure environmental health and the health and safety of local residents and employees. We will achieve this through the reduction of greenhouse gas emissions generated at each site, reduction of the use of resources such as energy and water, and continuous reduction of the burden of chemical substances and industrial wastes on the environment.

Responsible Care Chief Executive
Committee Chairman; President and C.E.O. Naoto Tanaka

	Item	Scope	Target	Policy
1	Reduction in greenhouse gas(GHG) emissions (CO ₂ equivalent)	SHIKOKU CHEMICALS CORPORATION Group(Scope 1,2)	•FY2030 : ▲26% from FY2013 •FY2020 : ▲2.1% from FY2020 (Unit consumption of sales)	* Priority goals are set based on the national policy seeking carbon neutrality, and periodic reviews are implemented to continuously improve these. [Plant facilities] •Promote improvement activities to increase production efficiency, reduce waste, and improve equipment performance •Optimization of operating conditions for facilities that use heating, air conditioning equipment, freezers, and refrigerators •Consideration of renewable energy use
2	Reduction in energy consumption (crude oil equivalent)	SHIKOKU CHEMICALS CORPORATION Group (Scope 1,2)	•▲1% from FY2019(Unit consumption of energy)	[Office] •Implementing Cool Biz and Warm Biz •Strictly obeying the rule to set the temperature at energy saving ranges •Updating to highly efficient equipment (LED luminaire) [Transportation] •Improving the efficiency in transportation of products (efficient use of transportation routes, rational transportation of freight, consolidated shipping, etc.) •Cooperation in the promotion of eco-drive
		SHIKOKU CHEMICALS CORPORATION	•Reduction by 1% of the 5-year average (energy consumption rate)	
		SHIKOKU CHEMICALS CORPORATION (Transportation)	•▲1% from FY2019(Unit consumption of energy)	
3	Management and reduction of environmental burdens on water and the atmosphere	Plant facilities	•Annual average value for drainage into the water area below the legal limit •Atmospheric emissions lower than the emission standard specified by the Air Pollution Control Act	•Analysis and monitoring of waste discharged into water/ atmosphere •Compliance with national and local laws and regulations •Prevention of deviations with the use of in-house standards
4	Reduction in industrial waste to be processed externally	Plant facilities	•Equal to the previous year or lower (waste per unit of production)	•Working on 3R activities, for example, with reviews of raw materials and packaging •Promotion of the use of groupware and digitalization of documents
5	Participation and cooperation in safety and environmental conservation activities	SHIKOKU CHEMICALS CORPORATION Group	•Safe and stable operations •Participation in local environmental conservation activities •Promotion of environmental conservation activities in cooperation with business partners	•Facility maintenance, facility security, and disaster prevention •Participation in local activities near our operation sites •Investigation of the establishment of procurement standards
6	Operation of environmental management system	Plant facilities	•Proper management of substances subject to control under the PRTR system	•Recording and reporting discharge and transfer amounts
		Marugame Plant, Tokushima Plant	•Actively utilize ISO14001 to control various burdens on the environment	•Promotion of environmental management system

■Scope

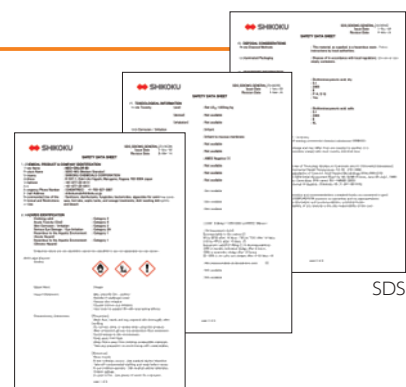
- SHIKOKU CHEMICALS CORPORATION Group : All of the SHIKOKU CHEMICALS CORPORATION Group companies
- SHIKOKU CHEMICALS Corp. : SHIKOKU CHEMICALS CORPORATION alone
- Plant facilities : Marugame Plant, Tokushima Plant, Tadotsu Plant, Naruto Plant, Ranzan Plant, Oita Plant, Takase Plant

Product Liability

Product Safety

We comply with the regulations in each country based on the GHS*¹ Guidelines recommended by the United Nations and prepare a safety data sheet (SDS) for every chemical product, which allows us to provide information on hazards and toxicity, first aid measures, measures to be taken in case of fire or leakage, handling and storage precautions, physical and chemical properties, information on environmental impacts, disposal and transport precautions, and applicable laws and regulations, etc. In this way, we show customers how to handle our chemical products safely in an easy-to-understand manner. We also implement surveys on the status of environmental management and regulated substances with our suppliers, from whom we purchase products on a regular basis, and provide information quickly to our customers.

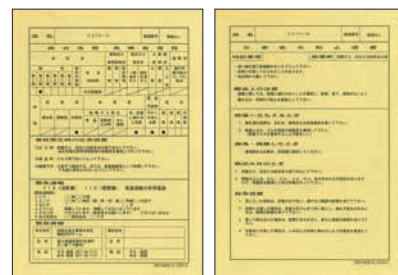
*1 GHS (Globally Harmonized System of Classification and Labelling of Chemicals)



SDS

Safety in Logistics

In case of accidents during transportation, we issue the emergency contact card, "Yellow Card", containing the contents of safe measures to be taken by the carrier, police, fire fighters, and other people concerned in dealing with the accidents. We also annually provide contract carriers with training for unexpected accidents including things to be carried with them in transportation. These cards contain information such as names of the substances transported, their properties, first aid measures, and emergency contact.



Yellow Card

Quality Initiatives

1 Policy

Our group has formulated "Challenge 1000", the long-term vision we aim to achieve by 2030, and "Toward 'one-step-ahead', proposal company with creativity" as our desired state for 2030. Under this long-term vision, we will aim to achieve a state in which each and every one of us continues to provide products, services, and values that are one step ahead.

To achieve these goals, we have established the SHIKOKU QUALITY POLICY and will implement PDCA cycle activities based on this policy across the Group. In addition to the quality of products, we will strive to continuously improve SHIKOKU QUALITY through efforts, for example, to improve the quality of services, take into consideration environment and safety, and increase the level of satisfaction at related departments within the company.

SHIKOKU QUALITY POLICY

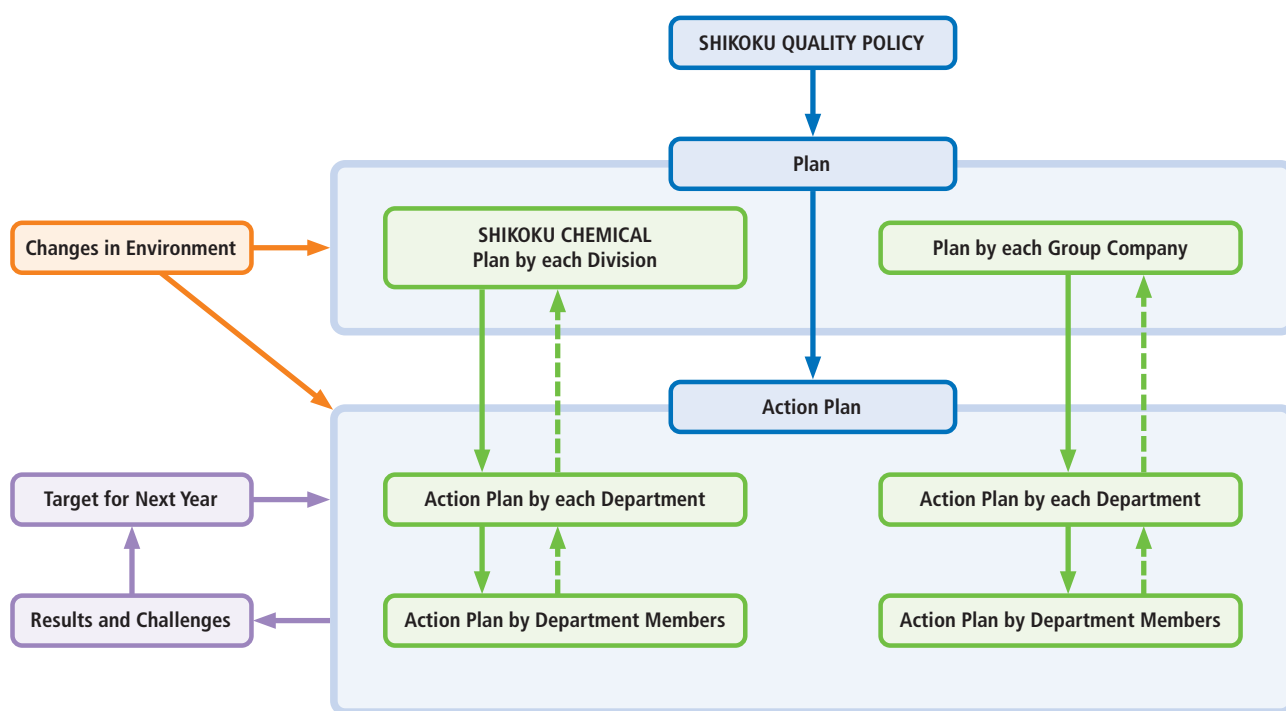
"Improve not only products, but also the levels of all activities"

2 Initiatives: Creation of Customer Value through Participation of All Employees (YONPO-YOSHI)

SHIKOKU QUALITY refers to the quality of all activities related to products, services, and values provided by SHIKOKU CHEMICALS CORPORATION Group to our customers.

We provide SHIKOKU QUALITY not only to the customers who use our products and services, but to all of our stakeholders, including employees, shareholders, and society.

3 System Diagram Based on the Policy



4 Progress on Activities related to ISO 9001

The quality assurance system for our company is based on ISO 9001. Marugame Plant, Tokushima Plant (Kitajima location, Yoshinari location), Tadotsu Plant (SHIKOKU KEIZAI CORPORATION), Takase Plant (NIHON KOHKI CORPORATION), and Shikoku Analytical Laboratories have obtained ISO 9001 certification and have received maintenance and updates by qualified certification organizations.

Marugame Plant ISO 9001 certificate



Tokushima Plant (Kitajima location) ISO 9001 certificate



Respect for Individuality and Human Rights

Policy/Concept

1. Respect for Human Rights

We respect the individuality and the rights of all people.

We do not discriminate on the basis of birth, nationality, ethnicity, belief, religion, gender, age, disability, educational background, etc.

2. Non-complicity in Human Rights Violations

We request that all employees refrain from infringing on human rights or discriminating against others, and that they not become involved in human rights violations, even indirectly.

3. Employment and Labor Policies

<Prohibition of Forced Labor and Child Labor>

We prohibit the employment of children who have not reached the working age stipulated by national and local laws and regulations. In addition, we will not tolerate forced labor, slave labor, or labor from human trafficking. We require our business partners to do the same. We will not impose unreasonable restrictions on employees leaving their jobs or terminating employment at any time.

<Good Labor-Management Relations>

We guarantee the freedom of employees to form a union and approve the right to collective bargaining.

<Correct and Fair Compensation>

We pay our employees fair and correct compensation in accordance with all applicable wage laws, including minimum wage, overtime, and legally mandated benefits laws.

<Elimination of Discrimination>

We ensure equal opportunity in recruitment, assignment, promotion, and competence development.

4. Remedial Action

If our business activities have resulted in a human rights violation, we will take appropriate measures to remedy and correct it.

In 1966, we concluded a labor agreement with our labor union. We are committed to respecting each other's positions and cooperating with each other in the spirit of mutual trust to ensure sound development of the company and improvement of the welfare of union members. We have promised to comply with the safe and peaceful labor-management relationship that we have established.

[Reference] The labor agreement was concluded with the UA-Zensen SHIKOKU CHEMICALS Labor Union.

(Right to Collective Bargaining)

Article 1 The Company shall acknowledge that the Union is a legitimate representative of union members and shall negotiate with the Union on labor conditions of union members.

(Confirmation of Rights)

Article 2 The Company shall acknowledge the Union's right to solidarity, right to collective bargaining, and other collective action rights, and the Union shall confirm the management rights of the Company.

(Freedom of Union Activities)

Article 9 The Company shall accept the freedom of union activities of union members, and shall not discriminate in treatment on the grounds of being a union member, or of conducting a legitimate union activity.

Our company aims to "create a bright workplace where the human rights of each employee are respected, and individual abilities and individuality can be fully demonstrated", and is engaged in human rights awareness for employees. To avoid forced labor, we provide harassment prevention education to managers. In addition, we adopt procedures to confirm that workers are at or older than the minimum age based on identification documents at the time of employment to avoid employment of child labor.

Support and Development of Employees

1 Work Support

With a declining birthrate and an aging population, we are offering employees various kinds of support programs that make it possible for them to achieve a balance between work and family, encouraging employees who need to provide childcare or nursing care to work with peace of mind.

○Period of Childcare/Nursing Care Leave

Employees are able to take childcare leave until the child turns the age of 1 year and 6 months. They may also take up to one year of leave for each family member in need of nursing care, which may be divided into at most three times in a case.

○Accumulated Annual Leave

For general employees, up to 40 days of expired, unused paid leave accumulated over a period extending up to three years may be used as sick leave.

○Mutual Aid Association

In accordance with the spirit of mutual cooperation, we implement mutual relief and welfare enhancement for employees, including injury and disease benefits, congratulatory or condolence money, and solatium money.

○Mutual Aid Society

In accordance with the spirit of mutual cooperation, we provide mutual relief to members as benefits such as child education pension to support the healthy development of the children of any member who dies or retires due to severe disability.

In the future, we will continue to foster a workplace environment and climate to realize an environment where all employees can work with peace of mind.

2 Management of Working Hours

In order to optimize the working hours and working hours management, we strengthened the function of the attendance management system in March 2019. We have used the cloud system and established a mechanism to effectively understand and manage the working hours, and allow employees and their superiors to check the working conditions at all times. To reduce overtime work, for example, we are working to optimize the working hours and improve the management of working hours with the introduction of a system which generates an alert when the monthly overtime work hours or the total working hours reach a certain number.

3 Human Resource Development

Ideal Candidate Profile

Human resources with a strong sense of mission and ability of taking on challenges by themselves

We are focusing on securing and developing excellent human resources, aiming at "Toward 'one-step-ahead, proposal' company with creativity", as stated in the long-term vision "Challenge 1000".

In particular, with regard to training employees who engage in business activities, we are working on the development and use of human resources that take advantage of each employee's strengths and abilities from a mid- and long-term perspective. The company provides employees with the tools and support they need to engage in the independent and ongoing development of their abilities.

As a means of providing on-the-job training in daily operations, we have implemented a system of work targets.

Every six months, employees meet with their superiors to complete a full management cycle of Plan, Do, Check, and Action, which means goal setting, implementation to achieve goals, confirmation of performance, and making use of their results next. Superiors hold periodic meetings with employees to set goals, check interim progress, and assess outcomes, through discussion and guidance, to steadily raise the business execution capabilities of each employee, with the aim of further boosting their department's performance.

Employees also have opportunities to attend various seminars, workshops, and social university courses held outside the company as necessary.

As for off-the-job training, we conduct group training for new recruits, regular employees, and managers, apart from daily operations. In addition, for career enhancement through self-development, we encourage the acquisition of qualifications and attending correspondence education courses; we deliver rewards to an employee successfully acquires a new qualification and pay for all expenses if an employee successfully completes an education course with excellent grades.

Occupational Safety and Health

In our company, the corporate safety and health meeting, chaired by the President and C.E.O., determines the basic policy on safety and health management and other important matters concerning the promotion of safety management. Based on the decisions made at this meeting, each site devises the "Safety and Health Activity Plan" every year to prevent accidents. Under the "Safety and Health Activity Plan" prepared at each site, we hold joint labor-management safety and health committees on a regular basis to promote improvements in the workplace environment. Furthermore, the Marugame and Tokushima Plants have established and actively operated the occupational safety and health management systems in accordance with ISO45001.



Marugame Plant



Tokushima Plant (Kitajima location)



Tokushima Plant (Yoshinari location)

Holding the Convention for Safety and Health in Production & Technology Division

The Convention for Product/Technology Safety and Health is organized at the Marugame and Tokushima Plants, and aims to make both plants reliable for local communities by building culture fostered on the concept which shows that "Safety overrides everything else". Top management share their plans to ensure safety, employees communicate with each other through presentations on risk prediction activities, and excellent safety and health activities are recognized.

*This was not implemented this year because of the impact of the novel coronavirus.



Commendation for safety

Education on Safety

Our safety activities focus on risk assessment, detection of near-miss incidents and concerns, and risk prediction to prevent the occurrence of serious industrial accidents. In addition, our education and training aim to prevent accidents by improving individual risk sensitivity, for example through safety education involving simulations in which participants can virtually experience an accident caught in a machine and a potential risk in a plant such as combustion and explosion, as well as risk prediction training to extract potential risks in operations.



Education involving simulations

Education on Health

In activities for occupational health, we work for employees' health management through the implementation of mental health workshops, periodical health checkups, counseling, and stress checks for all employees because mental and physical fatigue or poor physical condition may cause occupational accidents. We also provide education on harassment to improve our work environments, where fundamental human rights are respected.



Safety leader training (Marugame Plant)

Relationship with Labor Union

Labor and management work in collaboration in a relationship of mutual trust. We focus on specific collaborative themes such as revision of the personnel system, reduction of overwork, promotion of yearly paid vacations, and review of the personnel evaluation system. We hold monthly meetings of the labor-management expert committee to discuss workplace issues and improve the workplace environment.



Mental health workshop

Security and Disaster Prevention

We proactively conduct regular education and training programs on disaster prevention and security, as well as comprehensive disaster drills, to be prepared for unexpected accidents.

In addition, we developed BCP^{*2} to secure the safety of employees and ensure early resumption of business activities in preparation for the “Major Nankai Trough Earthquake” that is expected to occur in the near future.

^{*2} BCP (Business Continuity Plan) : A summary of countermeasures for business continuity in case of disasters and accidents

Manufacturing building reinforced for earthquakes in Marugame Plant



Comprehensive disaster drill in Marugame Plant



Comprehensive disaster drill in Tokushima Plant



Communication and Collaboration with Stakeholders

In our long-term vision “Challenge 1000”, we specify “YONPO-YOSHI” as the company’s activity policy. “YONPO-YOSHI” means to contribute to customers, employees, shareholders, and society. We will deliver “one-step-ahead values” to our customers, “challenges and growth” to our employees, more “profit return” to our shareholders, and “a better tomorrow” to society, so that we can contribute to all of our stakeholders. Our group started business with the production of carbon disulfide, the raw material of rayon, and has been supported by the community residents and many other people. Even now, we continue to have opportunities to communicate with stakeholders in various situations to confirm their expectations and demands for our group companies. We believe that it is important to take expectations and demands obtained through such communication in our supply chain activities for the establishment of trust relationships with stakeholders and sustainable development.

■List of communication with key stakeholders (as of March 2021)

Stakeholders		Communication
Customers	Contribute to our customers with chemicals and housing materials and their quality produced by our creativity.	Information provision to environment surveys and CSR-related surveys
Supplier	SHIKOKU CHEMICALS CORPORATION Group, which operates globally, purchases products from many suppliers.	Survey for supplier environmental management system, audit
Employees	A total of 1,194 employees of SHIKOKU CHEMICALS CORPORATION Group. Respect each individual’s personality, strive to ensure their safety and health.	Collective bargain, labor-management council, education training, evaluation interview, health and safety committee, compliance hotline
Shareholders / Investors	The total number of issued shares is approximately 55 million shares and the number of shareholders is 4,136.	General meeting of shareholders, IR activities, including a financial results briefing for investors
Community	In line with the concept of “YONPO-YOSHI”, we have decided to contribute 1% of our ordinary profits to social and community issues.	Community Information provision of business activities, participation in regional volunteer activities Donation of the NEO-CHLOR STICK, guest lectures at high schools in local Kagawa Prefecture, industry-academia collaboration with Kagawa University, and investment in “Social Bonds”

Topics

100 corporate shares were given to employees of the SHIKOKU CHEMICALS CORPORATION Group

In March 2021, we introduced an incentive plan, in which ordinary company shares are granted as an incentive bonus to members of our employee shareholding association made up of employees of the SHIKOKU CHEMICALS CORPORATION Group, and uniformly granted 100 company shares to each member. This is one of the employee efforts made as a cornerstone of “YONPO-YOSHI (favorable in all four directions)”, following the long-term vision of “Challenge 1000”; its purpose was to reward the extra labor exerted during the coronavirus crisis, and also provide motivation for holding assets through an increasing stock price and simultaneously raising awareness of management participation. Our group will continue to put into practice the corporate policy of “YONPO-YOSHI (favorable in all four directions)” under various scenarios.

Local cleanup activity



Guest lectures



Donation of the NEO-CHLOR STICK



ESG Performance Data

		Indicator	Unit	Scope	FY2016	FY2017	FY2018	FY2019	FY2020
Environmental	CO ₂ Emission	Emission	Thousand t	SHIKOKU CHEMICALS CORPORATION	46.4	42.6	44.0	42.2	32.9
		Unit consumption	tCO ₂ /Thousand t	SHIKOKU CHEMICALS CORPORATION	0.7	0.6	0.6	0.7	0.6
		Emission	from 2013 * ¹	SHIKOKU CHEMICALS CORPORATION	110.9%	101.9%	105.2%	100.7%	78.6%
		Emission	Thousand t	Domestic consolidated subsidiary	63.9	59.9	61.7	59.0	49.2
		Unit consumption	tCO ₂ /Thousand t	Domestic consolidated subsidiary	0.60	0.53	0.53	0.55	0.50
	Energy consumption (Crude oil equivalent)	Consumptions	Thousand kℓ	SHIKOKU CHEMICALS CORPORATION	18.8	20.4	20.9	20.0	17.7
		Unit consumption	ℓ /Thousand t	SHIKOKU CHEMICALS CORPORATION	298.3	294.1	294.3	311.8	308.7
		Consumptions	Thousand kℓ	Domestic consolidated subsidiary	28.3	29.0	29.7	28.5	25.9
		Unit consumption	ℓ /Thousand t	Domestic consolidated subsidiary	267.1	256.8	256.0	267.7	265.7
	Energy basic unit for product transportation	Transport volume	million ton-kilometers	SHIKOKU CHEMICALS CORPORATION	37.8	38.2	37.8	36.8	32.3
		Unit consumption	kℓ /million ton-kilometers kt	SHIKOKU CHEMICALS CORPORATION	74.0	75.8	79.5	76.6	76.9
		CO ₂ emissions	kt	SHIKOKU CHEMICALS CORPORATION	7.4	7.7	8.0	7.5	6.6
	SOx and NOx emissions	SOx	t	the three chemical plants	0.6	1.0	1.6	1.2	1.5
		NOx	t	the three chemical plants	11.9	9.9	12.3	12.2	10.2
		SOx acceptable rate* ²	%	the three chemical plants	0.1	0.2	0.3	0.3	0.3
		NOx acceptable rate* ²	%	the three chemical plants	23.7	18.6	22.3	23.2	20.5
	Soot and dust emissions	Soot and dust	t	the two chemical plants	0.2	0.1	0.3	0.1	0.8
		Soot and dust acceptable rate* ²	%	the two chemical plants	7.0	5.2	10.6	4.6	31.3
	Water input and drainage	Input	Ten thousand m ³	the three chemical plants	217.6	211.9	220.0	200.7	193.4
		Emission	Ten thousand m ³	the three chemical plants	178.7	181.7	174.0	156.8	158.0
	Water pollutant emissions	COD	t	the three chemical plants	3.5	4.7	4.8	3.5	4.3
		Total nitrogen	t	the three chemical plants	12.4	14.0	12.3	12.6	16.2
		Total Phosphorus	t	the three chemical plants	0.04	0.05	0.05	0.05	0.08
		COD acceptable rate* ³	%	the three chemical plants	1.3	1.7	1.8	1.4	1.8
		Total Nitrogen acceptable rate* ³	%	the three chemical plants	5.9	6.6	6.1	6.9	8.8
		Total Phosphorus acceptable rate* ³	%	the three chemical plants	0.1	0.2	0.2	0.2	0.3
	Waste emissions	Emission	t	the three chemical plants	948.2	1,000.6	1,034.2	931.9	849.5
		Unit consumption	kg/t	the three chemical plants	15.0	14.5	14.6	14.5	14.8
	Emission and movement of substances specified in PRTR* ⁴	Total	t	the three chemical plants	152.3	132.4	266.2	168.8	230.8
		Air	t	the three chemical plants	118.9	94.5	194.3	111.5	120.5
		Public waters	t	the three chemical plants	0.4	0.2	0.2	0.0	0.2
		Industrial waste	t	the three chemical plants	33.0	38.2	71.7	57.3	114.2
	Emission and movement of carbon disulfide	Air	t	the three chemical plants	118.2	94.0	194.1	111.0	120.2
		Public waters	t	the three chemical plants	0.0	0.0	0.0	0.0	0.0
		Industrial waste	t	the three chemical plants	0.0	0.0	0.0	0.0	0.0
	Emission and movement of toluene	Air	t	the three chemical plants	0.0	0.0	0.0	0.0	0.0
		Public waters	t	the three chemical plants	0.0	0.0	0.0	0.0	0.0
		Industrial waste	t	the three chemical plants	17.8	13.2	46.7	24.2	72.1
	Emission and movement of xylene	Air	t	the three chemical plants	0.0	0.0	0.0	0.0	0.0
		Public waters	t	the three chemical plants	0.0	0.0	0.0	0.0	0.0
		Industrial waste	t	the three chemical plants	8.6	7.1	7.0	9.5	9.7
	Emission and movement of Ethylbenzene	Air	t	the three chemical plants	0.0	0.0	0.0	0.0	0.0
		Public waters	t	the three chemical plants	0.0	0.0	0.0	0.0	0.0
		Industrial waste	t	the three chemical plants	—	8.3	8.2	11.2	11.4
Social	Work-related fatalities	Case	SHIKOKU CHEMICALS CORPORATION	0	0	0	0	0	
	Female employment rate	%	SHIKOKU CHEMICALS CORPORATION	17.86	17.76	17.88	18.51	38.46	
	Turnover rate	%	SHIKOKU CHEMICALS CORPORATION	4.34	2.80	4.24	3.95	9.61	
	Rate of accidents resulting in absence from work	%	the three chemical plants	4.1	3.2	5.2	10.3	0.0	
	Rate of acquisition of childcare/family care leave; Figures in () indicate the number of male employees	People	SHIKOKU CHEMICALS CORPORATION	0(0)	2(0)	2(1)	2(0)	6(3)	
	Rate of paid holiday use	%	SHIKOKU CHEMICALS CORPORATION	56.43	53.71	69.20	73.60	69.60	
	Donations to local communities	million yen	SHIKOKU CHEMICALS CORPORATION	—	—	2.7	53.6	8.4	
Governance	Number of executives (directors and corporate auditors)	People	SHIKOKU CHEMICALS CORPORATION	15	16	14	14	14	
	Number of female executives	People	SHIKOKU CHEMICALS CORPORATION	0	0	0	0	0	
	Number of female managers	People	SHIKOKU CHEMICALS CORPORATION	3	3	4	6	6	
	Ratio of female managers	%	SHIKOKU CHEMICALS CORPORATION	2.48	2.40	3.23	4.76	4.65	
	External directors and auditors	People	SHIKOKU CHEMICALS CORPORATION	4	4	4	4	5	
	Number of people who received compliance training	People	SHIKOKU CHEMICALS CORPORATION	—	—	—	—	560	

The three chemical plants refer to Marugame Plant, Tokushima Plant (Kitajima location), and Tokushima Plant (Yoshinari location).

Dust is applied to Tokushima Plant (Kitajima, Yoshinari locations). Dust is eliminated at Marugame Plant due to the change to city gas.

*1 CO₂ emissions in 2013 were 41,800 tons.

*2 The acceptable emission rate is calculated from the standard value of the Air Pollution Control Act.

*3 Water Pollution Control Law Calculates the allowable discharge rate based on uniform drainage standards.

*4 Top four substances (accounting for 92.5%) of emissions and movement : carbon disulfide, toluene, xylene and ethylbenzene.

GRI Content Index

GRI content* Index	Contents	Location Published
102-1	Name of the organization	(P24)Corporate Profile
102-2	Activities, brands, products, and services	(P24)Description of Major Businesses and Products
102-3	Location of headquarters	(P24)Corporate Profile
102-4	Location of operations	(P24)Corporate Profile
102-5	Ownership and legal form	(P24)Corporate Profile
102-6	Markets served	(P24)Description of Major Businesses and Products
102-7	Scale of the organization	(P24)Corporate Profile
102-8	Information on employees and other workers	—
102-9	Supply chain	—
102-10	Significant changes to the organization and its supply chain	—
102-11	Precautionary Principle or approach	(P7)Risk Management
102-12	External initiatives	(P8,11,16)Responsible Care, ISO
102-13	Membership of associations	Japan Chemical Industry Association, Japan Electronics Packaging and Circuits Association, Japan Exterior Construction Association
102-14	Statement from senior decision-maker	(P1)Greeting
102-16	Values, principles, standards, and norms of behavior	(P3~7)About SHIKOKU CHEMICALS CORPORATION, Compliance
102-18	Governance structure	(P6)Corporate Governance, Environment Promotion System
102-40	List of stakeholder groups	(P21)Communication and Collaboration with Stakeholders
102-41	Collective bargaining agreements	—
102-42	Identifying and selecting stakeholders	(P21)Communication and Collaboration with Stakeholders
102-43	Approach to stakeholder engagement	(P21)Communication and Collaboration with Stakeholders
102-44	Key topics and concerns raised	—
102-45	Entities included in the consolidated financial statements	—
102-46	Defining report content and topic Boundaries	—
102-47	List of material topics	—
102-48	Restatements of information	—
102-49	Changes in reporting	—
102-50	Reporting period	(P1)Editing Policy
102-51	Date of most recent report	Back cover
102-52	Reporting cycle	(P1)Editing Policy
102-53	Contact point for questions regarding the report	https://www.shikoku.co.jp/inquiry/index-corp.php
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared with reference to the core options of the GRI standards.
102-55	GRI content index	(P23)GRI content index
102-56	External assurance	—

*Global Reporting Initiative (GRI) is an international and independent nonprofit organization that publishes GRI standards. The GRI Standards provide a framework for reporting an organization's impact on the economy, environment, and society, and explain its contribution to sustainable development.

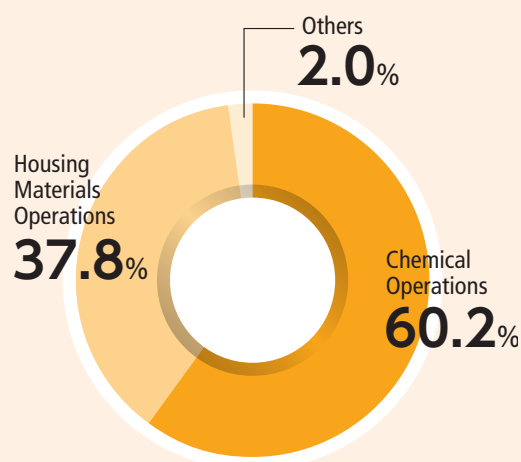
■ Corporate Profile (as of the end of March, 2021)

Trade name	SHIKOKU CHEMICALS CORPORATION
Foundation	October 10, 1947
Capital	6,867 million yen
Representative	Naoto Tanaka President and C.E.O.
Number of employees	618(SHIKOKU CHEMICALS alone) , 1,194(including employees in consolidated subsidiaries)
Sales	49,590 million yen(consolidated statement)
Establishments	
Head Office	8-537-1, Doki-cho Higashi, Marugame, Kagawa
Branch Offices	Makuhari, Osaka
Sales Offices	Nagoya, Fukuoka, Sendai, Hiroshima, Shikoku, Kitakanto, Shizuoka, Los Angeles(U.S.A.), Shanghai(China), Shenzhen(China), Taiwan, Singapore, London(UK)
R&D Center	Utazu(Kagawa)
Plants	Marugame, Tadotsu, Takase(all three in Kagawa Prefecture), Kitajima, Yoshinari, Naruto(all three in Tokushima Prefecture), Ranzan(Saitama), Oita(Oita)
Subsidiaries subject to consolidated accounting	SHIKOKU KEIZAI CORPORATION, SHIKOKU KEIZAI KANTO CORPORATION, SHIKOKU KOSAN CORPORATION, SHIKOKU SYSTEM KOHBOH CORPORATION, Shikoku Foods & Trading Company, Shikoku Foods & Insurance Service Co., Ltd., Shikoku Analytical Laboratories, Shikoku Environmental Business Company, Nippon Ryutan Kogyo Co., Ltd., NIHON KOHKI CORPORATION, SHIKOKU INTERNATIONAL CORPORATION (U.S.A.)
· 10 domestic · 1 overseas	

■ Description of Major Businesses and Products

Chemical products	
Inorganic Chemicals	: Carbon Disulfide, Insoluble Sulfur, Sodium Sulfate
Organic Chemicals	: Isocyanuric acid derivative (NEO-CHLOR), Wastewater treatment agent (HIPOLKA)
Fine Chemicals	: Chemical agents for printed circuit boards, Imidazole derivatives
Housing materials	
Interior	: Interior finishing materials(Keiso-kabe, walls made of natural materials), Exterior finishing materials, paving materials
Exterior	: Gate doors, Fences, Garages, Shutters
Other business	
IT systems, fast-food sales and other service operations	

■ Sales Amount Constituent Ratio





8-537-1, Doki-cho Higashi, Marugame, Kagawa 763-8504
Tel. 0877-22-4111
URL. <https://www.shikoku.co.jp>

