

# Hodogaya Chemical Group's Sustainability

## Basic approach

The Hodogaya Chemical Group actively promotes sustainability activities based on the concept of balancing the pursuit of economic value and solutions to social issues and providing value to all stakeholders to fulfill its responsibility to realize a sustainable world and society in the medium- to long-term in line with the PURPOSE (Management Philosophy) and VISION (Target Corporate Image).

### Sustainability policy

The Hodogaya Chemical Group has formulated the Sustainability Policy as a comprehensive policy on issues surrounding sustainability. This policy outlines our basic approach as well as related policies to each issue.

As a chemical company, we declared our commitment to engaging in responsible care (RC) in 1997 and have been actively and continuously working to protect and improve the global environment. At the same time, the Group has also been addressing with considerable resolve such issues as risk management for natural disasters, etc., the establishment of fair and proper supply chains, human resources management that enhances job satisfaction, and respect for human rights through the established policies and regulations.

### Philosophy Structure

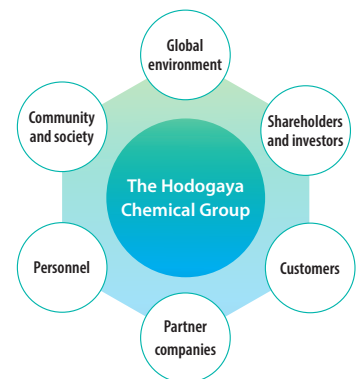


### Sustainability Promotion Structure

As an organization working on sustainability-related issues, we view sustainability as an overarching concept that encompasses CSR, ESG, and the SDGs. Therefore, we established the Sustainability Development Committee. In addition to the RC & QM Subcommittee, which deliberates on such issues as the environment, safety, and quality assurance, the Sustainability Development Committee established the Global Environment Subcommittee and the TCFD Subcommittee to address specific issues. Details of Committee agenda items are regularly reported to and deliberated by the Board of Directors and the Management Committee for approval.

### Collaborative Value Creation with Stakeholders

In addition to its shareholders, investors, customers, partner companies, personnel, local communities and society, the Hodogaya Chemical Group considers the global environment as one of its stakeholders. We are engaging in a variety of initiatives to promote collaborative creation of value with all stakeholders, which we recognize is indispensable for corporate activities based on our management philosophy as well as contributions to the resolution of social issues.



### The Hodogaya Chemical Group's Stakeholders

Stakeholder	Basic approach
Global environment	We are committed to continuous improvement and regard it as an important responsibility of a chemical manufacturer to continuously reduce the amount of all chemical substances discharged into the earth and the amount of waste generated during our business activities.
Shareholders and investors	In order to maintain and improve the trust of all of our stakeholder groups in the future, we have positioned ourselves to ensure the soundness and legality of management, improving efficiency as one of the most important management issues. We are working to enhance and strengthen corporate governance.
Customers	In addition to providing a stable supply of safe and reliable products, we are committed to providing new products and services that meet our customers' expectations for a safe, secure, comfortable, and prosperous life.
Partner companies	As a good partner of the Hodogaya Chemical Group, we work together to address social issues, not only in the purchase of raw materials, products, and consignment goods, but also in the purchase of facilities and equipment.
Personnel	In order to achieve the Hodogaya Chemical Group PURPOSE (Management Philosophy) and VISION (Target Corporate Image) while also boosting corporate value, we aim to facilitate job satisfaction (feeling motivated and enjoying a comfortable work environment) for all officers and personnel.
Community and society	In the course of the Hodogaya Chemical Group's business activities, we consider contribution to the sustainable development of communities an important activity as a corporate citizen, and are engaged in various community contribution activities.