



TOSOH REPORT 2021
KEY DATA & REFERENCES

TOSOH CORPORATION

ENVIRONMENT & SOCIETY



ENVIRONMENT & SOCIETY

Tosoh Group Input and Output

The Tosoh Group reduces the environmental impact of its business activities throughout the lifecycle of its products. In manufacturing our products, we make effective use of the input of resources—or “inputs” such as fuel, raw materials, and water resources—and work to minimize waste “outputs” and the degree of our environmental impact on air and water.

Scope of calculation

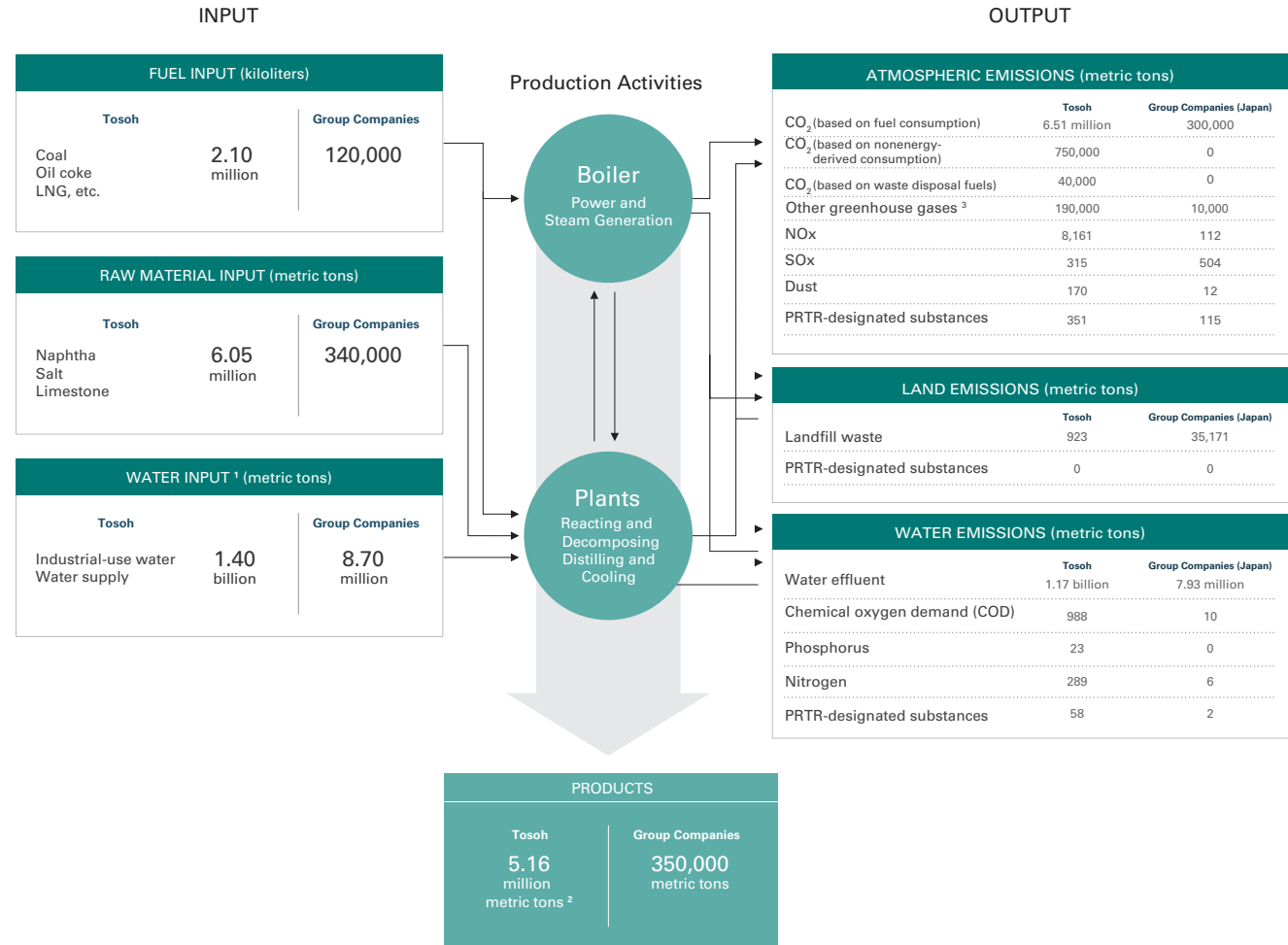
Tosoh: Nanyo Complex, Yokkaichi Complex, Tokyo Research Center, Polyurethane Research Laboratory
Group companies (Japan):

- Asia Industry Co., Ltd.
- Tosoh AIA, Inc.
- Tosoh SGM Corporation
- Tosoh Quartz Corporation
- Tosoh Silica Corporation
- Tosoh Speciality Materials Corporation
- Tosoh Zeolum, Inc.
- Tosoh Ceramics Co., Ltd.
- Tosoh Hyuga Corporation
- Tosoh Finechem Corporation
- Tohoku Tosoh Chemical Co., Ltd.
- Toyo Polymer Co., Ltd.
- Nippon Miractran Co., Ltd.
- Hokuetsu Kasei Co., Ltd.
- Minamikyushu Chemical Industry Co., Ltd.
- Rin Kagaku Kogyo Co., Ltd.
- Rensol Co., Ltd.

1. Totals for water input include industrial-use water, seawater, groundwater, and tap water.

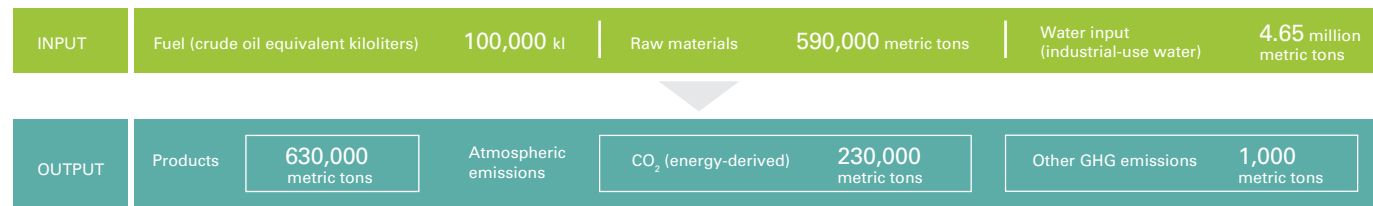
2. Excludes internally consumed products.

3. Totals for other greenhouse gases represent the total of N₂O, CH₄, SF₆, and HFCs.



ENVIRONMENT & SOCIETY

Group Companies (overseas)



Scope of calculation

Tosoh (Shanghai) Polyurethane Co., Ltd.
 Tosoh (Ruian) Polyurethane Co., Ltd.
 Tosoh (Guangzhou) Chemical Industries, Inc.

P.T. Standard Toyo Polymer
 Philippine Resins Industries, Inc.
 Tosoh Polyvin Corporation

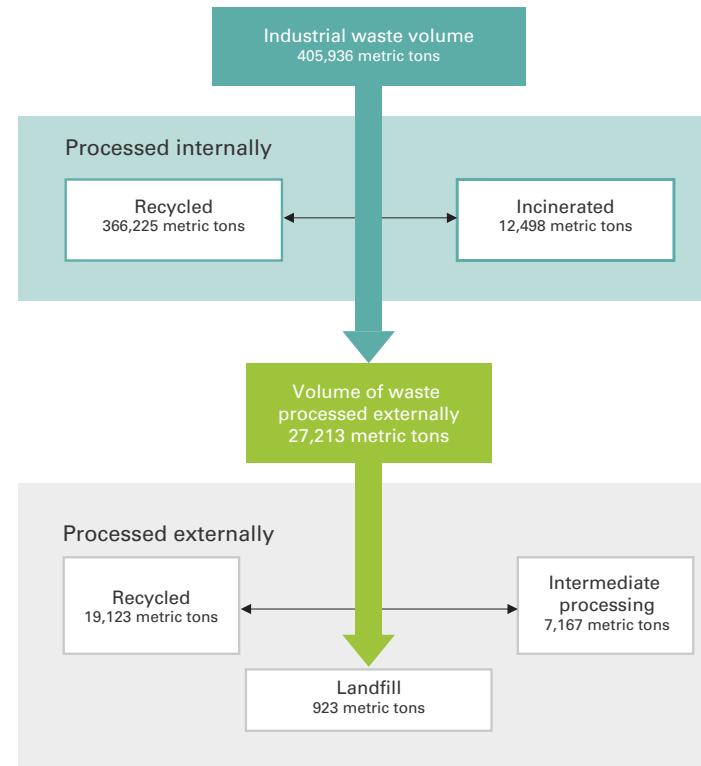
Mabuhay Vinyl Corporation
 Tosoh Hellas A.I.C.
 Tosoh Advanced Materials Sdn. Bhd.

Industrial Waste Processing

The Tosoh Group promotes the 3Rs—reduce, reuse, and recycle—through resource recycling and other measures. In accordance with the fourth target of Keidanren’s Voluntary Action Plan for Establishing a Sound Material-Cycle Society, Tosoh has set a target of reducing the volume of final waste disposal by approximately 70% compared to the actual volume in fiscal 2000. Tosoh’s final disposal volume in fiscal 2021 was 923 metric tons, well below the target of 1,000 metric tons.

Aware of their responsibilities as generators of waste, Group companies also manage and dispose of waste properly until it is delivered to a disposal company.

Industrial Waste Processing Flow



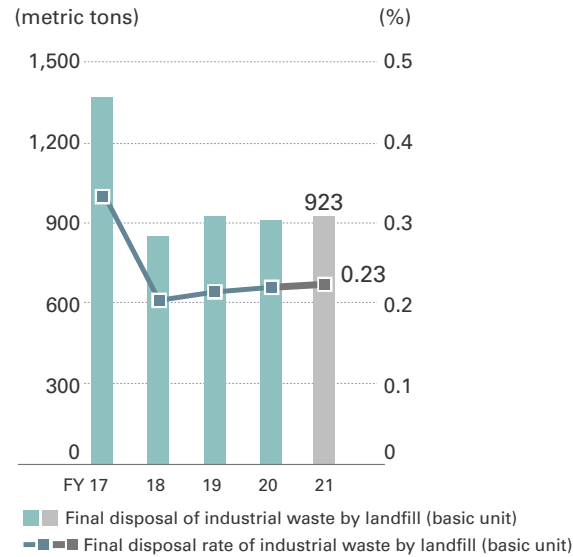
Data collection method: Data is aggregated from volume data recorded in the manifest.

The values given are totals for the Nanyo Complex, Yokkaichi Complex, and Tokyo Research Center.

Of the amount of externally treated waste, 672 metric tons are specified as hazardous. This includes waste containing polychlorinated biphenyl (PCB), mercury, dioxin, heavy metals such as cadmium, lead, chromium, and arsenic, and chlorinated organic compounds.

Industrial Waste

Final Disposal Volume (basic unit)

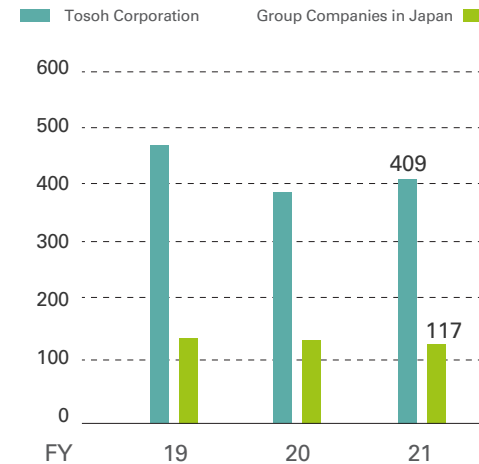


The final landfill industrial waste disposal volume was 923 tons, the same as the previous year. The ratio of the amount of landfill industrial waste for the past five years to the amount of industrial waste generated was less than 0.5%.

In fiscal 2021, final disposal by landfill accounted for 0.22% of those facilities' total industrial waste volume.

PRTR-Applicable Substance Emission Volume

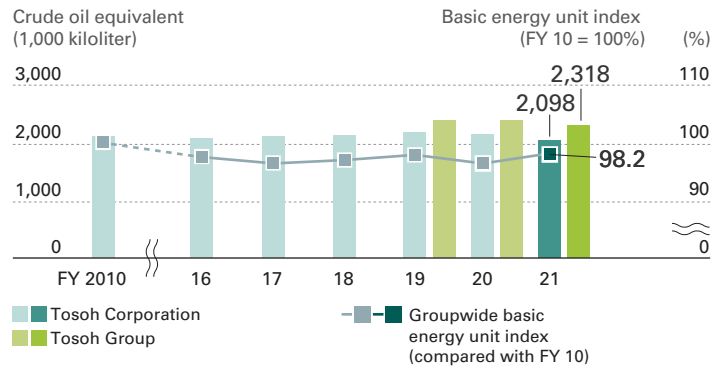
Metric tons



Tosoh and its domestic Group companies are striving to reduce emissions of substances subject to Japan's Pollutant Release and Transfer Register (PRTR) system by setting voluntary targets. The system is based on Japan's Act for Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof (Law concerning Pollutant Release and Transfer Register), which governs materials that require movement and discharge quantity reporting.

Tosoh's emissions in fiscal 2021 were 409 metric tons. This was below the target of 424 metric tons or less, a reduction of more than 30% from fiscal 2016. Total emissions by the domestic Group companies were 117 metric tons, a decrease of 16 metric tons from fiscal 2020.

Energy Consumption Index of Energy Used

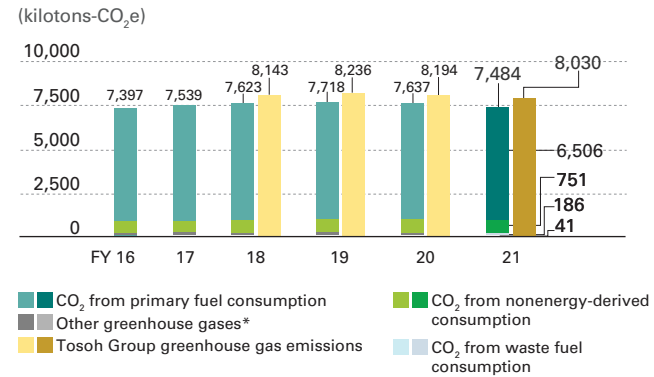


Tosoh's energy intensity index for fiscal 2021 was 98.2% compared with fiscal 2010. This marked an increase of 1.8 percentage points from fiscal 2020 due to a decline in energy efficiency attributable to factors including a decrease in production volume.

*Values for the crude oil equivalent of energy used and for the energy consumption index versus fiscal 2010 are calculated using the method stipulated by Japan's Act on the Rational Use of Energy. When calculating energy consumption specifically for Tosoh Corporation, we deduct the energy sold to other firms.

Data for fiscal 2018 does not include emissions from the former Tosoh F-Tech, Inc.

Greenhouse Gas Emissions



Tosoh's GHG emissions in fiscal year 2021 totaled 7,484 kilotons-CO₂e, a decrease of 153 kilotons-CO₂e compared with fiscal year 2020.

We are ahead of schedule in reducing our energy-derived CO₂ emissions, as we are furthering our capital investment in fuel conversion and energy conservation as planned.

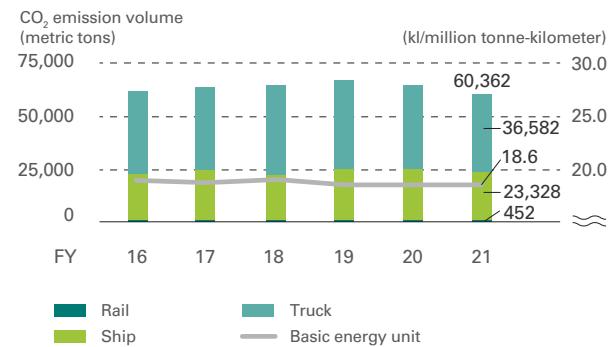
The Tosoh Group's GHG emissions decreased by 2.0% compared with fiscal 2020.

Greenhouse gas emissions are calculated using Japan's Mandatory Greenhouse Gas Accounting and Reporting System. Data for fiscal 2018 does not include emissions from the former Tosoh F-Tech, Inc. Data until fiscal 2018 was for N₂O only. Data for fiscal 2019 onward represents the total of N₂O, CH₄, SF₆, and HFC emissions.

Logistics-Related CO₂ Emissions and Basic Energy Unit

In fiscal 2021, Tosoh’s logistics CO₂ emissions dropped 6.2% compared to fiscal 2020, mainly due to a decrease in energy consumption caused by lower transportation volume. The logistics basic energy unit—energy consumption converted to crude oil (kiloliter) / transport tonne-kilometers (one million tonne-kilometers)—was 18.6, the same as in fiscal 2020.

To reduce CO₂ emissions, we are continuously promoting energy efficiency through a modal shift in transport that sees us promoting marine and rail transport and improving transportation fuel efficiency. Tosoh Logistics Corporation, a Group company, completed renovation of its ethylene carrier, the *Shoyo*, in December 2020. The ship has been designed to be environmentally friendly, with an optimized hull, the Eco-Stator—a rectifying plate that improves propeller efficiency—and friction resistance-reducing paints to improve propulsion performance. The vessel also features an electronic charting system with Track Control, an automatic course maintenance system to achieve optimal navigation and fuel consumption.



ENVIRONMENT & SOCIETY

Business and Other Risks

The Tosoh Group identifies and analyzes risks that may have a significant impact on management and takes appropriate measures to minimize the impact of such risks when they become apparent, and implements initiatives to protect corporate value.

Risk Promotion System

Under the supervision of the Board of Directors, the Tosoh Group has established a system in which each department in charge analyzes risks that may have a significant impact on management and responds appropriately. Each department is responsible for implementing risk countermeasures in a systematic manner, as well as for prompt response to crises.

Major Risk Items

The following is a list of major risks that we recognize as having the potential to significantly impact the Group's financial position, business performance, and cash flow. We have positioned them as important CSR issues and are actively addressing them. Forward-looking statements in the text are based on the judgment of the Tosoh Group as of March 31, 2021.

Climate Change

With the adoption of the Paris Accord, efforts are being made worldwide to reduce emissions of greenhouse gases, which are considered to be the major cause of climate change and global warming.

If quantitative restrictions or taxes are introduced in the future in relation to CO₂ and other emissions or the use of fossil fuels, or if demand for oil-related products declines due to the emergence of nonfossil-

fuel alternatives, the Group's business performance and financial position may be affected. For this reason, the Group has established the CO₂ Reduction and Effective Use Promotion Committee to promote technological improvements for CO₂ reduction and effective use.

We are also taking measures to adapt our various facilities to withstand extreme weather conditions such as typhoons and floods caused by climate change that may cause damage to production facilities and roads used for transportation.

Environmental and Other Legal Regulations

The Tosoh Group's business performance and financial position may be affected by restrictions on business activities, additional capital investment, or new expenses due to the strengthening of domestic and international legal regulations concerning the environment or other matters, or due to demands for social responsibility. For this reason, the Tosoh Group conducts its business activities with the recognition that environmental protection and health and safety and the like are management issues of the highest priority.

Technological Innovation

In the midst of rapid changes in the domestic industrial structure and international social issues, if we are unable to continuously develop and provide new products that meet customer needs, or if groundbreaking technological innovations are made by competitors, our business performance and financial position may be adversely affected. Given

these risks, the Tosoh Group is actively engaged in R&D to strengthen and expand its core businesses and create new products and opportunities for the sustainable growth of the company.

Especially in the Specialty products business, the speed of technological innovation is remarkable. This is why we believe it is necessary to develop and provide new products in a timely manner. We have positioned creating and providing products and services that solve social issues and contribute to society as a key CSR objective.

Intellectual Property

In the course of developing a wide range of businesses, there is a possibility that the Group's intellectual property rights or those held by third parties may be infringed upon. In such a case, the Group's business performance and financial position may be affected, requiring technological innovation through R&D. The Tosoh Group recognizes the importance of intellectual property rights, and is working to acquire rights and prevent infringement of rights held by third parties, both in Japan and overseas.

ENVIRONMENT & SOCIETY

Information Security

If a problem were to occur in the plant control systems or core systems at our manufacturing complexes, we would be forced to suspend important operations, which could have an impact on our business performance and financial position. The Tosoh Group has taken various protective measures against cyberattacks.

In the event that information is leaked to outside parties due to unforeseen circumstances, the Tosoh Group's public trust and competitiveness could be compromised. This could affect the Group's business performance and financial position. Given this risk, the Group strives to appropriately manage confidential and personal information, and has taken appropriate measures that comply with the European Union General Data Protection Regulation.

Quality Issues

Unexpected defects in our products could lead to a loss of public trust, discontinuation of product sales, or even legal action. This could affect the business performance and financial position of our Group. The Tosoh Group has, therefore, established a quality management system for its products and has product liability insurance in place.

Raw Material and Fuel Procurement

Some raw materials and fuels are dependent on specific regions or suppliers. The Group's business performance and financial position may be affected in the event of procurement disruptions due to disasters or accidents at those suppliers. To mitigate this risk, the Group procures raw materials and fuels necessary for production from both domestic and overseas sources. The company is working to ensure stable long-term procurement by diversifying raw material and fuel suppliers, concluding medium- to long-term contracts, and purchasing from the spot market.

Overseas Business Activities

There are risks from social or political turmoil caused by war, terrorism, or other factors, inadequate social infrastructure, and difficulties in recruiting and securing human resources that can potentially hinder our overseas business activities and negatively impact our business performance and financial position. As such, the Tosoh Group is engaged in a wide range of overseas business activities, including product exports and local production overseas, and is addressing the important CSR issue of diversity and inclusion, with a particular focus on human rights issues related to supply chains.

Other risks are as noted below:

- Occurrence of accidents, disasters, and infectious diseases
- Fluctuations in international market prices for products and fuels
- Changes in inventory valuations
- Shifts in domestic and international economic conditions, supply and demand, and competition
- Issues with acquisitions, capital alliances, and business restructuring
- Fluctuations in exchange rates
- Fluctuations in interest rates
- Capital expenditures
- Litigation
- Impairment in fixed assets
- Valuation of marketable securities
- Reversal of deferred tax assets
- Retirement benefits
- Estimates based on construction progress standards

Response to the COVID-19 Pandemic

The Tosoh Group is promoting the prevention of COVID-19 infections in line with its CSR Basic Policy which holds that the safety and health of people involved in its business activities must be ensured.

In Japan, to reduce the possibility of employees becoming infected, we are promoting telecommuting—approximately 70% during periods of state of emergency—and staggered work hours. We are also employing web conferencing in lieu of business trips, meetings, and interviews, and implementing measures such as temperature checks for visitors. COVID-19 infection control offices have been established at the Nanyo and Yokkaichi Complexes, and we are implementing countermeasures using a phased management approach in response to the infection situation.

Major infection prevention measures at manufacturing complexes (in addition to company-wide measures):

- Temperature check by thermo-camera when entering the workplace
- Disinfection of contact areas after each shift
- Mandatory wearing of masks
- Social distancing with outsiders
- Maintain records of entry and exit at manufacturing complexes, instrument rooms, etc.
- Installation of CO₂ meters in temporary periodic maintenance structures to promote ventilation

Workplace Vaccination

The Nanyo and Yokkaichi Complexes implemented workplace vaccination programs to reduce the chance of infection among employees and curb the spread of serious diseases.

By conducting vaccination at company workplaces, we contribute to reducing the burden on local governments and accelerating the vaccination process.

Business Activity and Product Contributions

Tosoh is expanding its lineup of reagents for the detection of antibodies to SARS-CoV-2 for our fully automated chemiluminescence enzyme immunoassay analyzers. The reagents contribute to basic and clinical research on COVID-19 infections by facilitating an understanding of the state of immunity after infection or vaccination.



Vaccination (Nanyo Complex)



AIA-CL2400 analyzer

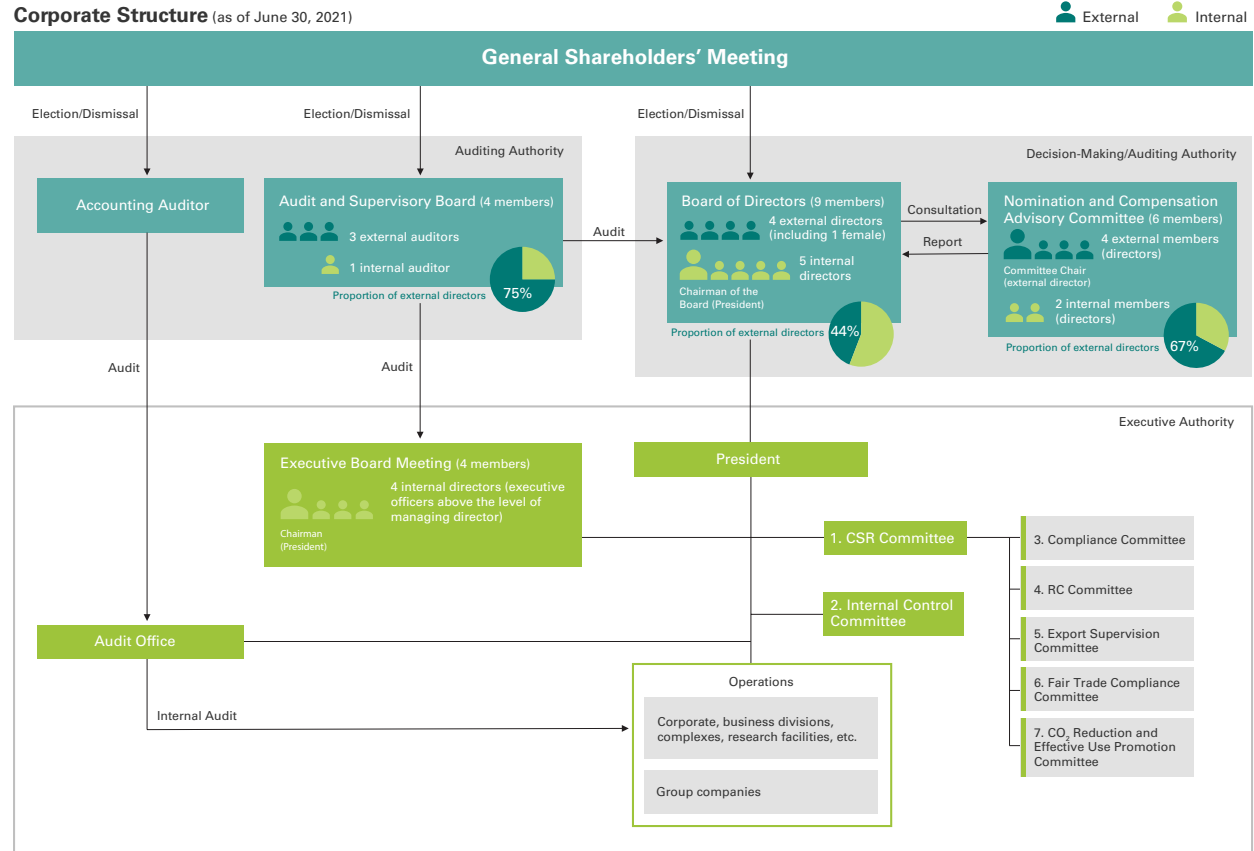
G O V E R N A N C E



GOVERNANCE

Corporate Governance

In order to continuously enhance corporate value, Tosoh strives to build an efficient organizational structure that can respond quickly to changes in the business environment and to conduct sound corporate management that is fair and highly transparent. While respecting the purpose and spirit of the Corporate Governance Code, we continuously seek the optimal form of corporate governance for Tosoh.



GOVERNANCE

Directors and Auditors



Toshinori Yamamoto
Representative Director
and President

Toshinori Yamamoto has worked in accounting, sales, purchasing and logistics, overseas business, and business planning and management. He was appointed to Tosoh's Board of Directors in June 2009 and to its presidency in March 2016. He has a wealth of knowledge about the Tosoh Group and its management and is therefore eminently qualified to make essential executive-level decisions and to supervise Tosoh Group's global operations toward maintaining sustainable growth and increasing corporate value.



Katsushi Tashiro
Representative Director and
Senior Executive Vice President

Katsushi Tashiro worked in manufacturing, production engineering, and construction before becoming deputy general manager of the Yokkaichi Complex, among other posts. He was appointed a director in June 2013. He possesses a comprehensive understanding of the Tosoh Group's operations and management. As such, he contributes considerably to crucial decisions and the supervision of the Tosoh Group's operations toward sustainable growth and enhanced corporate value.



Toru Doi
Director and Executive Vice
President

Toru Doi was involved in research before becoming the general manager of the Functional Polymers Research Laboratory and being named a director in June 2021. His wide-ranging experience in the area of research enables him to contribute significantly to the Tosoh Group's R&D efforts. He is therefore well equipped to contribute to important, executive-level decisions and the supervision of the Tosoh Group's activities toward achieving sustained growth and increased corporate value.



Mamoru Kuwada
Director and Executive Vice
President

Mamoru Kuwada is experienced in manufacturing, production engineering, construction projects, and business and facilities management. He served as senior general manager of the Yokkaichi Complex prior to his appointment as a director in June 2020. His extensive knowledge of the Tosoh Group's operations and management serve him well in adding to important corporate decisions and in supervising the Tosoh Group's activities toward maintaining sustainable growth and increasing corporate value.



Toru Adachi
Director and Executive Vice
President

Toru Adachi worked in accounting, finance, corporate planning, and business management. He was appointed to the Tosoh Group's Board of Directors in June 2020 following service as the general manager of Corporate Strategy. His wide-ranging knowledge of diverse aspects of Tosoh Group operations and insights into corporate management make his inclusion in vital decision-making as essential as his involvement in the supervision of Tosoh Group efforts toward achieving sustainable growth and increasing corporate value.

Directors and Auditors



Tsutomu Abe
External Director

Tsutomu Abe was representative director and vice president of Mizuho Bank, Ltd., and president and CEO of IBJ Leasing Co., Ltd. (now Mizuho Leasing Co., Ltd.). He became a Tosoh Group external director in June 2015. Abe has a wealth of knowledge in finance, corporate management, and other fields which he brings to the table in helping to make decisions on matters of importance to the Tosoh Group. He also brings an objective perspective to his role as supervisor and adviser to management.



Keiichi Miura
External Director

Keiichi Miura was a director and senior executive officer of Taiheiyo Cement Corporation before becoming a Tosoh Group external director in June 2020. His knowledge of research and planning, corporate management, and other areas, along with his objective perspective, make him an ideal contributor to the Tosoh Group's decision-making and managerial oversight toward maintaining sustainable growth and increasing corporate value.



Yoshihiro Hombo
External Director

Yoshihiro Hombo's positions prior to being named a Tosoh Group external director in June 2020 included those of executive vice president and representative director of Mitsui & Co. Today, he is the president and chief operating officer of Valqua, Ltd. With his broad knowledge of sales, overseas operations, business management, corporate management, and other areas, he is well suited to advise and supervise Tosoh Group management from an objective perspective. As such, he greatly contributes to decisions toward sustaining growth and increasing corporate value.



Mariko Hidaka
External Director

Mariko Hidaka is a certified public accountant and former senior partner at EY Ernst & Young ShinNihon LLC. She became a Tosoh Group external director in June 2020. She is widely knowledgeable in matters of accounting, auditing, corporate management, and other fields. With her objective perspective, she is an asset in advising and supervising Tosoh Group management in a manner that contributes to sustainable growth and increased corporate value.

GOVERNANCE

Directors and Auditors



Makoto Okayama
External Auditor

Makoto Okayama served as deputy president and executive officer of Mizuho Trust & Banking Co., Ltd. and representative director of Japan Investor Solutions & Technologies Co., Ltd. prior to being named a Tosoh Group external auditor in June 2021. He brings with him an abundance of experience in various fields including finance and corporate management, which he puts to appropriate use in conducting neutral and fair audits of the execution of duties by directors.



Kouji Kawamoto
Internal Auditor

Kouji Kawamoto possesses experience in finance, accounting, information systems, and purchasing and logistics. He sat on the Board of Directors and served as an executive vice president of the Tosoh Group before being appointed to the Audit & Supervisory Board in June 2019. He is fully versed in finance and accounting and corporate management and is thus a major asset in ensuring the smooth functioning of the Tosoh Group from an objective standpoint.



Tetsuya Teramoto
External Auditor

Tetsuya Teramoto was a director and then president and chief executive officer and finally chairman of the board of Eiken Chemical Co., Ltd. He became a Tosoh Group corporate auditor in June 2014. His insightful knowledge of corporate management and other matters enables him to fully and objectively audit all aspects of the performance of duties by Tosoh Group directors.



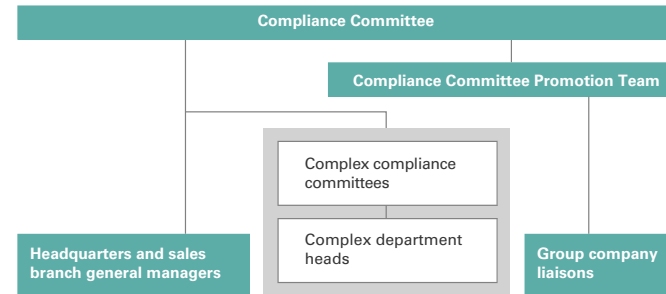
Tsuneyasu Ozaki
External Auditor

Tsuneyasu Ozaki served as a public prosecutor before joining the Special Investigations Department of the Tokyo District Public Prosecutors Office in 1996. He registered as an attorney in 2005 and today heads the Fukuoka branch of the law firm Nishimura & Asahi LPC. His appointment to the Tosoh Group's Audit & Supervisory Board was made in June 2014. His extensive legal background makes him an astute auditor of all aspects of Tosoh Group directors' execution of their duties.

Compliance Promotion System

We believe that practicing compliance, which means following the established rules, not only protects employees from accidents and other disasters, but also strengthens the management structure of the entire Tosoh Group. To this end, we have established a promotion system to ensure that employees are aware of the importance of compliance and are able to practice it. The Compliance Committee reports the content of its deliberations to the Board of Directors.

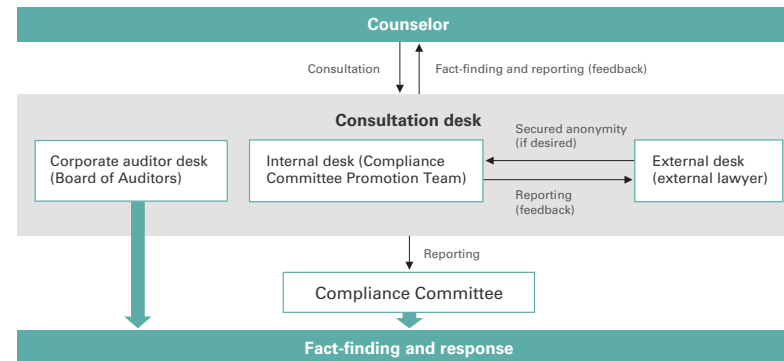
Promotion Structure



Compliance Consultation Desks

Tosoh has established compliance consultation desks to promptly recognize and respond to violations or potential violations and prevent or quickly correct compliance-related issues. Employees of Tosoh and its domestic Group companies, temporary employees, and employees of subcontractors can choose to report or consult with the internal, external, and corporate auditor consultation desks.

Structure of the Compliance Consultation Desk



The desks provide consultations regarding violations of laws and regulations, harassment, human rights violations, bribery, and other incidences of corruption. The details of each consultation are reported to the corporate auditors on a case-by-case basis for guidance and supervision.

Wallet size cards listing the contact information for each consultation desk are available to employees so as to ensure they can contact a desk at any time when needed. Tosoh's internal regulations stipulate the protection of confidentiality and the prohibition of the disadvantageous treatment of persons seeking consultation.

R E S P O N S I B L E C A R E



RC Promotional Structure

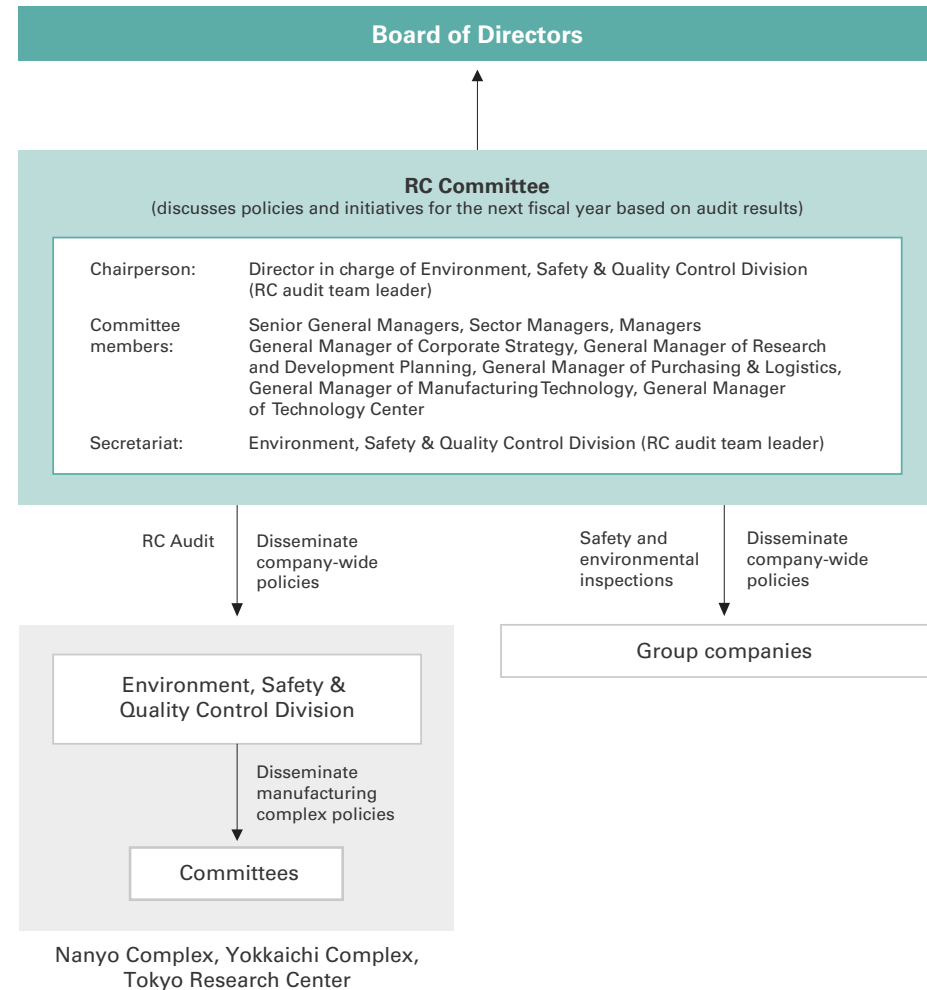
We are working on the following system to promote RC activities.

Nanyo and Yokkaichi Complexes, Tokyo Research Center

- (1) The Environment, Safety & Quality Control team at the head office, which is the secretariat of the RC Committee, disseminates to business sites company-wide policy decided by the RC Committee.
- (2) The complexes create policies based on company-wide information and disseminate them at committee meetings.
- (3) Activities of each department are audited internally at the complexes.
- (4) The RC Committee audits activities of the complexes and identifies issues.
- (5) The RC Committee deliberates and decides on policies and initiatives for the next year based on the issues identified.

Group Companies

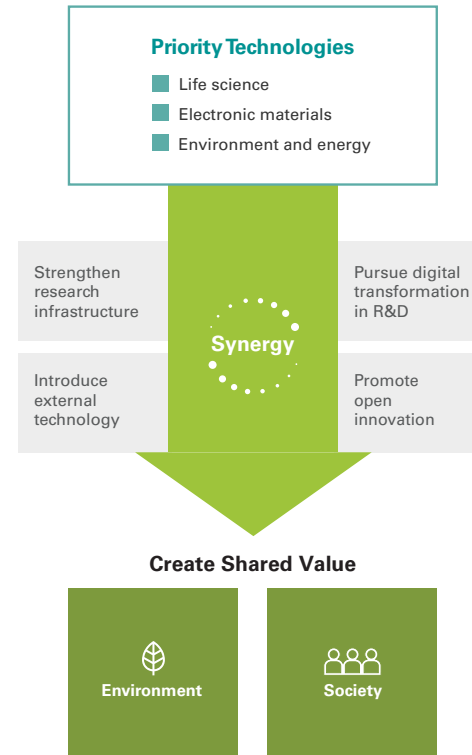
- (1) Environment, Safety and Quality Control at the head office, which is the secretariat of the RC Committee, disseminates company-wide policy decided by the RC Committee to all Group companies.
- (2) The RC Committee confirms the status of activities at each Group company through safety and environmental inspections.
- (3) The RC Committee deliberates and decides on policies and initiatives for the next year based on issues identified through discussions during the inspections.



Value Creation

Through our business activities, we at Tosoh undertake to create unprecedented value that contributes to solving social issues and helps us grow sustainably as a company. We aim to further enhance our corporate value through this growth. Tosoh Corporation's corporate philosophy combined with the greater Tosoh Group CSR Basic Policy sets the direction for our value creation which will not be hindered by various global social issues. Rather, Tosoh's value creation will continue to strengthen in accordance with the five tenets of the Tosoh Spirit and of the Tosoh Group Code of Conduct, which are derived from our support for the environment, society, and corporate governance and from further strengthening trust and collaboration with our stakeholders. This will enhance our ability to achieve SDGs and resolve social issues, and to return to society the value we have created. Through its CSR activities, Tosoh hopes to fulfill its corporate social responsibility and contribute to the realization of a sustainable society.

Create Shared Value with Synergy and Technological Innovation



RESPONSIBLE CARE

Relationships with Stakeholders

Underpinned by its corporate philosophy and CSR Basic Policy, the Tosoh Group provides value to its stakeholders through ESG initiatives, along with its products and services.

We understand the importance of constant communication with our stakeholders in earning and keeping the trust of society and ensuring corporate growth.

Dialogue with Stakeholders

Through our website, corporate reports, and other means, we provide information regarding our business activities to our stakeholders in a prompt and proper manner. By creating various opportunities for dialogue, we receive evaluations and opinions from our stakeholders, which are then reflected in our business activities.

Stakeholder	Tosoh's Role	Communication Tools	Communication Opportunities
Shareholders and investors	Disclosing business results, business policies, management strategy, and other information at the right time and as appropriate Building relationships of trust with shareholders and investors Ensuring appropriate return on investment	Annual reports Financial results, financial presentations Securities reports Business reports Questionnaires from ESG evaluation agencies	General meeting of shareholders Financial results presentation Teleconferences Small meetings Individual interviews Plant tours
Customers	Providing safe, secure, consistent, and high-quality products and services Building relationships of trust with customers Improving customer satisfaction by linking customer feedback to product development	Product pamphlets Safety data sheets (SDS) Help desk	Business activities Quality assurance support Exhibitions User audits Call centers
Local communities	Ensuring safe and secure operations Contributing to community development Building and maintaining relationships of trust with local communities	Pamphlets about the Nanyo and Yokkaichi Complexes and the laboratories	Plant tours Exchange through community events Community dialogues and opportunities to exchange ideas
Municipalities	Complying with laws Disclosing information appropriately and in timely fashion	CSR procurement guidelines CSR self-assessment questionnaire (SAQ)	Filings Meetings
Suppliers	Ensuring fair trade		Purchasing activities
Employees	Providing a pleasant and meaningful place to work Improving systems and education to maximize the abilities of employees Ensuring stable lives for employees and their families	Internal newsletters Intranet Consultation and reporting hotlines	Labor-management council Training Business reports (interviews with supervisors) Dialogues with management Workplace roundtable

CREATING SHARED VALUE



Tosoh Group CSR Basic Policy

In order to realize our corporate philosophy, we share and practice the following basic policies.

(1) Contribute to the sustainable development of society through business activities

Through the deepening of our unique chemistry-based technologies and collaborative activities with our business partners around the world, we provide innovative and reliable products and services that help solve social issues and contribute to people's well-being.

(2) Ensure safe and stable operation

We recognize that ensuring the safety and well-being of people involved in our business activities and stable operations are the most important management issues, hence we work assiduously to foster a culture that strengthens and secures our safety infrastructure.

(3) Develop and promote a free and open corporate culture

By nurturing an open and people-friendly work environment that provides job satisfaction and respects human rights and diversity, we will realize a corporate culture that is full of vitality and in which employees and their families can take pride.

(4) Preserve the environment

In addition to thorough management of chemical substances, we make continuous efforts throughout the value chain to minimize the impact of our worldwide business operations on the environment.

(5) Pursue integrity in corporate activities

We work to maintain a global corporate group that is trusted by stakeholders through sincere and highly transparent corporate activities based on dialogue and collaboration.

Message from the CSR Director

Fiscal 2021 marks the final year of the initial three-year plan since the implementation of the Tosoh Group CSR Basic Policy. We are continuing to promote activities on a company-wide basis, led by the departments in charge, to achieve our key CSR goals.

During this period, we have actively participated in external initiatives, such as becoming a signatory to the UN Global Compact in April 2019 and endorsing the recommendations of the TCFD in November 2019. Since the importance of addressing climate change has gained urgency, we will further raise the level of our internal awareness as well as our contribution to the SDGs.



Toru Doi
Director, Senior Vice President

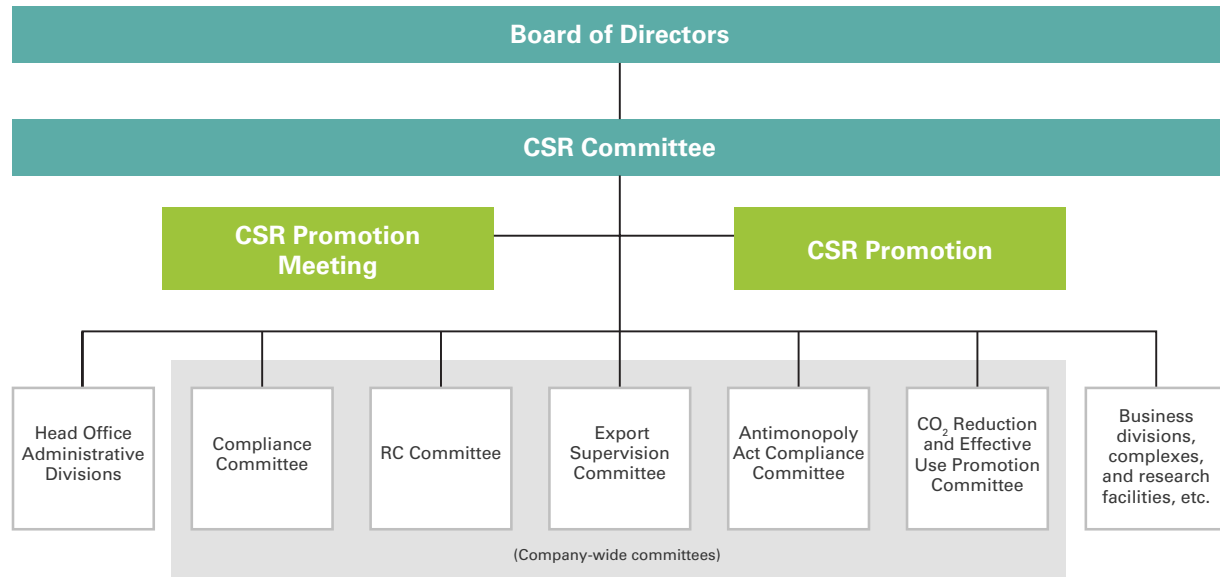
CSR Promotion System

The CSR Committee, chaired by the president of Tosoh Corporation, is composed of members of the executive board, heads of the administrative divisions at Tosoh's headquarters, and chairpersons of the company's other committees. The CSR Committee formulates CSR policies, manages the progress of work toward the key CSR goals, and reports these to the Board of Directors. In addition, the CSR Promotion Team has been established as a specialized department to assist the CSR Committee, organize the CSR Promotion Meeting and serve as administration for both.

In fiscal 2021, the CSR Committee met twice—in August to deliberate on the results of important CSR activities in the previous fiscal year and in March to review the targets for the following fiscal year.

In addition, in the third year since the formulation of the Tosoh Group CSR Basic Policy, we have worked to improve our response to Group companies and to further the internal implementation of the policy, while actively participating in external evaluations and disseminating the necessary information.

In June 2021, we established the CO₂ Reduction and Effective Use Strategy under the CO₂ Reduction and Effective Use Promotion Committee. We also formed a Task Force under the committee at both our Nanyo and Yokkaichi Complexes in order to strengthen the implementation of our climate change response.



CREATING SHARED VALUE

CSR Materiality

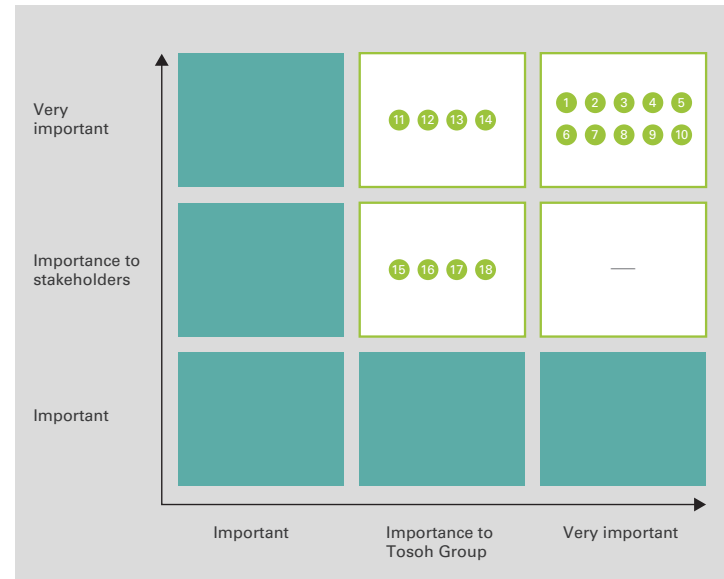
The Tosoh Group identified potential issues based on ISO 26000, GRI Standards, trends at other companies, and other factors. ISO 26000 is a globally recognized International Organization for Standardization (ISO) designation for organizational social responsibility, while GRI is an international standard for sustainability issued by the Global Reporting Initiative (GRI), a nongovernmental organization.

In addition, we narrowed down the list of potential key issues by conducting an evaluation using a biaxial matrix. We plotted the importance of each issue to stakeholders on one axis and the importance of these issues to the Tosoh Group on the other.

From deliberations conducted at a CSR Committee meeting held in August 2018, 18 issues were identified for the sustainable growth of society and the Tosoh Group.

We established Key Performance Indicators (KPI) for the identified key issues and set medium-term targets for our CSR activities. We will continue to engage in CSR activities aimed at achieving these targets.

Materiality Matrix



- | | |
|--|---------------------------------------|
| 1 Products and Technologies to Resolve Social Issues | 10 Diversity |
| 2 Compliance | 11 Stakeholder Communication |
| 3 Safe, Stable Operations | 12 Personnel Development |
| 4 Climate Change Responses | 13 CSR Supply Chain Management |
| 5 Quality Management | 14 Employment and Recruitment |
| 6 Occupational Safety and Health | 15 Cybersecurity |
| 7 Chemical Substance Management and Product Safety | 16 Business Continuity Planning (BCP) |
| 8 Environmental Conservation | 17 Biodiversity |
| 9 Comfortable Workplace | 18 Human Rights |

CREATING SHARED VALUE

Key Corporate Social Responsibility (CSR) Issues

Key Issues	Key Performance Indicators (KPI)	FY 2020 Results	FY 2021 Targets	FY 2021 Results	Achieved Yes/No	FY 2022 Targets
1. Products and Technologies to Resolve Social Issues	Development and provision of innovative products and technologies (number of news releases, newspaper articles)	15	3 or more	30	Yes	10 or more
	Announcement of research results through Tosoh research and technology reports (number of posts)	28	10 or more	37	Yes	20 or more
	Implementation of open innovation to resolve social issues (number of news releases)	2	2 or more	4	Yes	2 or more
2. Compliance	Number of major legal violations	0	0	0	Yes	0
	Continuation of educational activities for legal compliance and corporate ethics	Further familiarize employees with the Group's code of conduct and compliance awareness through company-wide education and education at each complex			Yes	Ongoing
3. Safe, Stable Operations	Number of accidents (major security accidents)	Internal: 3 Group companies: 1	0	Internal: 6 Group companies: 0	No	0
	Number of accidents (major logistics accidents)	2	0	1	No	0

CREATING SHARED VALUE

Key CSR Issues

Key Issues	KPI	FY 2020 Results	FY 2021 Targets	FY 2021 Results	Achieved Yes/No	FY 2022 Targets
4. Climate Change Responses	Reduction in energy-derived CO ₂ emissions	3.2% decrease in presumed business as usual (BAU) emissions volume by FY 2026	2.2% decrease in presumed BAU emissions volume by FY 2026		Probable achievement	6% decrease from presumed BAU emissions volume in FY 2026
	Measurement of basic unit for energy use	0.2% average annual decrease	1% average annual decrease	0.4%	No	1% average annual decrease
	Measurement of basic unit for energy use in logistics	0.4% average annual decrease	1% average annual decrease	0.3%	No	1% average annual decrease
5. Quality Management	Number of complaints about products manufactured at complexes	18	30 or fewer	10	Yes	23 or fewer
	Incidence rate of logistics complaints and problems	70 parts per million (ppm)	70 ppm or fewer	118 ppm	No	70 ppm or fewer
	Incidence rate of small-lot transport complaints	Refer to "Logistics Quality Improvement" for more information				
	Ratio of quality audits conducted for manufacturing contractors	41%	50% or more of companies targeted	57%	Yes	50% or more of companies targeted
	Number of quality audits conducted for Tosoh internally or for its domestic consolidated subsidiaries	24	All companies targeted (24)	24	Yes	All companies targeted (24)

CREATING SHARED VALUE

Key CSR Issues

Key Issues	KPI	FY 2020 Results	FY 2021 Targets	FY 2021 Results	Achieved Yes/No	FY 2022 Targets
6. Occupational Safety and Health	Number of employees who lost time because of accidents	Internal: 2 Group companies: 10	0	Internal: 1 Group companies: 19	No	0
	Number of affiliated company accidents requiring time off work	Internal: 7 Group companies: 6	0	Internal: 7 Group companies: 6	No	0
7. Chemical Substance Management and Product Safety	Number of major nonconformities	0	0	0	Yes	0
8. Environmental Conservation	Number of violations of environmental laws and regulations and agreements	1	0	0	Yes	0
	Number of deviations from regulatory or agreed values	Deviations from regulatory value: 1 Deviations from agreed value: 2	0	0	No	0
	Reduction in PRTR-designated substance emissions	383 metric tons	424 metric tons	411 metric tons	Yes	424 metric tons or fewer (30% decrease compared with FY 2016)
	Reduction in industrial waste disposal volume	919 metric tons	1,000 metric tons or less	923 metric tons	Yes	1,000 metric tons or less
	Promotion of disposal of polychlorinated biphenyl (PCB)-containing equipment		Complete the disposal of equipment containing high PCB concentrations in FY 2021		Yes	Systematic disposal of equipment containing low PCB concentrations

CREATING SHARED VALUE

Key CSR Issues

Key Issues	KPI	FY 2020 Results	FY 2021 Targets	FY 2021 Results	Achieved Yes/No	FY 2022 Targets
9. Comfortable Workplace	Ratio of male employees taking maternity and parental leave	89.7%	95% or more	95.5%	Yes	95% or more
	Ratio of male employees taking childcare leave	14.9%	13% or more	35.0%	Yes	20% or more
	Ratio of all employees taking annual paid leave	79.2%	80% or more	79.2%	No	80% or more
	Ratio of regular employees taking annual paid leave	70.4%	70% or more	72.3%	Yes	70% or more
	Implementation of health-promoting activities	Improve physical fitness, lifestyle, and mental health as three pillars of health-promoting activities, and plan and implement effective activities to achieve all three			Yes	Ongoing
10. Diversity	Proportion of female employees hired in regular positions	17.3%	20% or more	21%	Yes	20% or more
	Number of management-level female employees	13	18 or more	15	No	18 or more
	Ratio of disabled personnel	2.0%	2.2% or better	2.0%	No	2.3% or more
	Ratio of reemployed retired employees	94.0%	80% or more	84.1%	Yes	80% or more
11. Stakeholder Communication	Promotion of understanding and timely and appropriate disclosure of information through proactive dialogue with shareholders and investors	<ul style="list-style-type: none"> • Improve IR activities through dialogue with institutional investors and analysts • Strengthen IR activities for retail investors • Upgrade content of disclosure information • Upgrade shareholder relations (SR) activities • Diversify exercising of voting rights (e.g., by smartphone) 			Yes	Ongoing
	Coexistence with communities	<ul style="list-style-type: none"> • Conduct factory tours for local residents • Participate in community events • Support community through sports 			Yes	Ongoing

CREATING SHARED VALUE

Key CSR Issues

Key Issues	KPI	FY 2020 Results	FY 2021 Targets	FY 2021 Results	Achieved Yes/No	FY 2022 Targets
12. Personnel Development	Implementation of education and training at all levels, and correct placement of personnel	<ul style="list-style-type: none"> • Conduct education and training meetings • Conduct education and training at all levels 			Yes	Ongoing
	Enhancement of language skills through education and training	Conduct language study, overseas training			Yes	Ongoing
13. CSR Supply Chain Management	Preparation and performance of CSR procurement	<ul style="list-style-type: none"> • Devise and disclose basic procurement policy • Organize CSR procurement requests from users • Review and send self-assessment questionnaire (SAQ) 			Yes	Ongoing
14. Employment and Recruitment	Maintenance of employment to achieve growth strategy	Attract personnel appropriate to achieving medium-term business plan			Yes	Ongoing
15. Cybersecurity	Number of major cybersecurity incidents	0	0	0	Yes	0
16. Business Continuity Planning (BCP)	Consideration of measures for ensuring physical safety in emergencies	<ul style="list-style-type: none"> • Review and maintain disaster countermeasure regulations • Provide crisis management measures for staff overseas or traveling on business • Conduct education and training on types of regulations 			Yes	Ongoing
	Consideration of facility restoration period				Yes	Ongoing
17. Biodiversity	Promotion of biodiversity preservation	<ul style="list-style-type: none"> • Ascertain correlation between business activities and biodiversity • Formulate biodiversity action policy • Promote biodiversity preservation 			Yes	Ongoing
18. Human Rights	Holding of education sessions for new human rights concept and harassment prevention	<ul style="list-style-type: none"> • Conduct new human rights concept training in rank-based training • Conduct harassment prevention training 			Yes	Ongoing

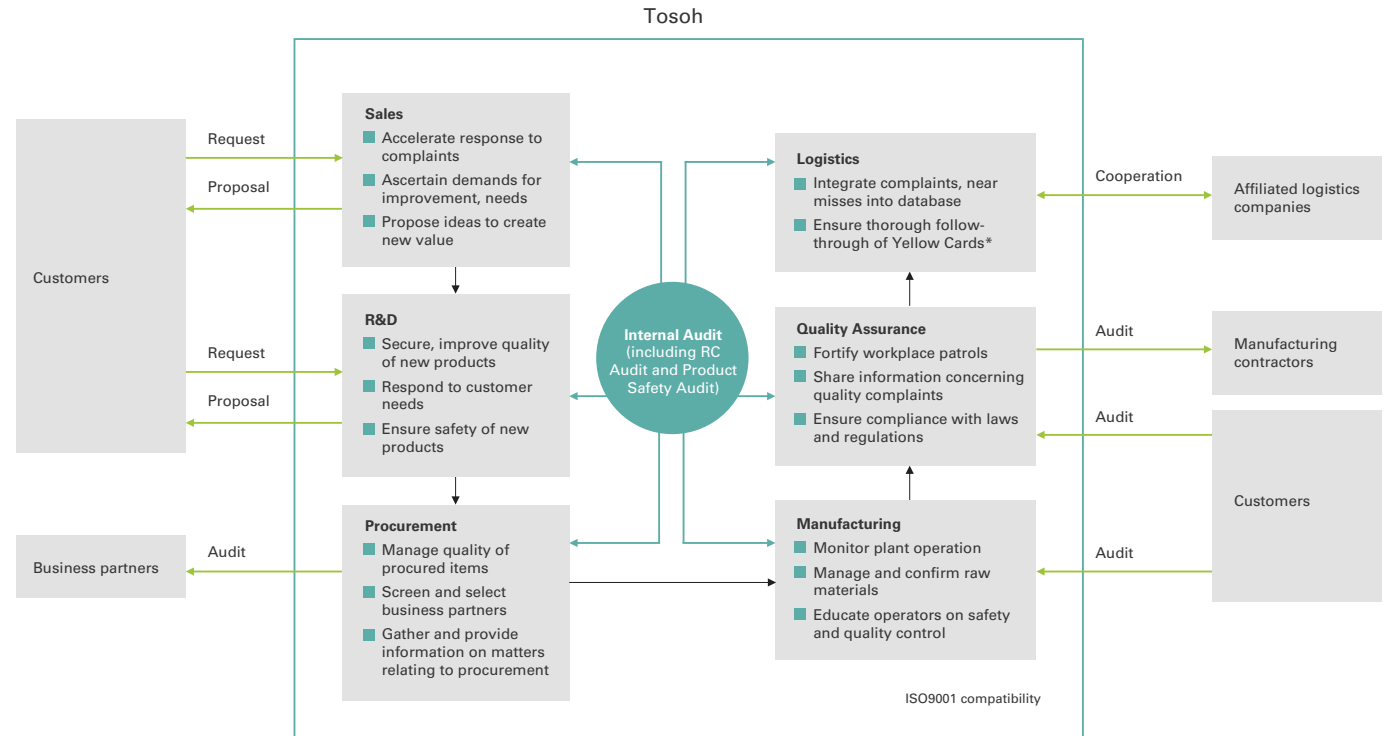
QUALITY MANAGEMENT



QUALITY MANAGEMENT

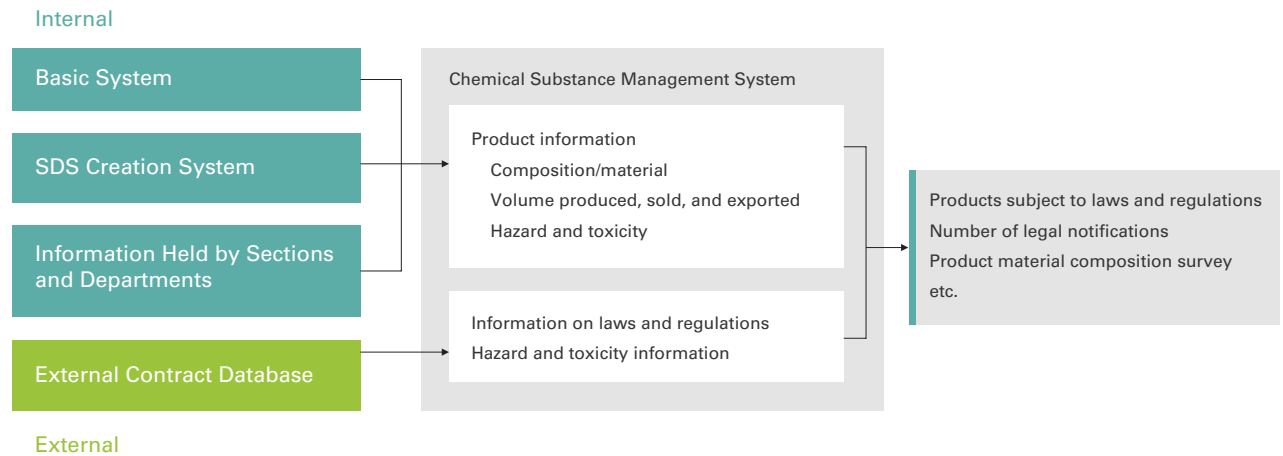
Logistics Quality Improvement

Since some of our products contain hazardous or poisonous substances, which are regulated by law, it is important to manage them from the time they are loaded through transit and delivery at their destination. To this end, logistics plays a central role with the goal of reducing the incidence rate of logistics-related accidents, complaints, and problems. We calculate our incidence rate as follows: *number of logistics accidents, complaints, and problems / number of products transported x 1 million.*



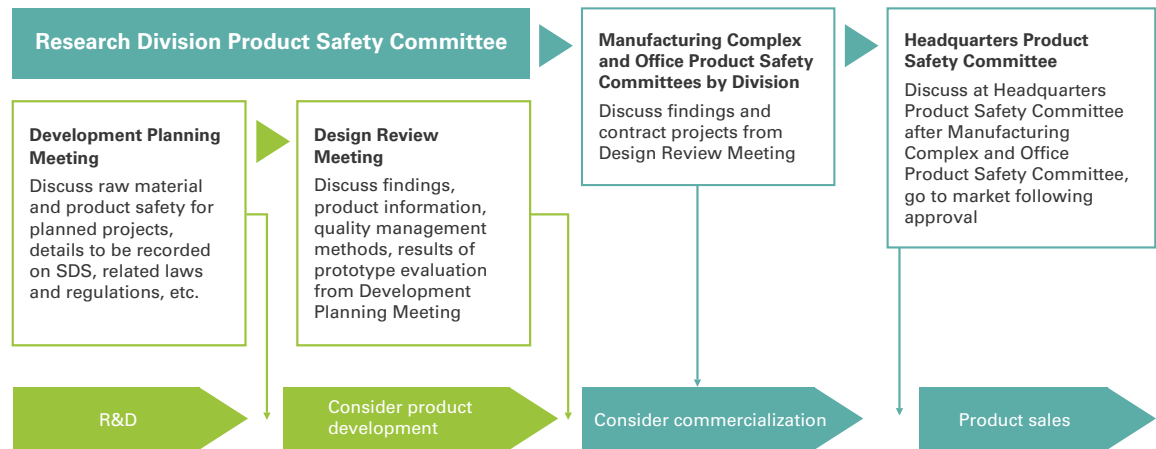
Chemical Substance Management System

In 2016, Tosoh introduced a chemical substance management system to centrally manage chemicals handled within the company and ensure compliance with international laws and regulations. This system involves the creation of a database of the chemical substances contained in each Tosoh product. The database enables us to search for applicable laws and regulations for the product as well as the chemical substances contained within. In addition, Tosoh has certificate-issuing authority for some of its products. As with the database, this allows a rapid response to customers who wish to know the chemical content of those products.



Product Safety Audits

In accordance with Japan’s Product Liability Act, Tosoh Group employees in Japan work together to ensure product safety and provide appropriate product information. Our Product Safety Review Committee verifies the safety of raw materials and products and deliberates on laws and regulations at each stage from R&D to sales. In fiscal 2021, the committee met 102 times.



IN HARMONY WITH
OUR EMPLOYEES



Creating Comfortable Workplaces

Tosoh is actively promoting the realization of work-life balance by improving the workplace environment so that employees from diverse backgrounds can work harmoniously together.

Basic Philosophy of Personnel System

- A creative organization that allows employees to maximize their capabilities
- A challenging culture employing a point-based system for thorough evaluation
- Fair treatment where those who work hard are truly rewarded

	FY 19	FY 20	FY 21
Regular employees	3,501	3,576	3,683
New employees	215	208	229
Employees with foreign citizenship ¹	10	15	20
Rehired annuitants ¹	53	47	74
Disabled person employment rate ¹	1.91%	2.00%	1.98%
Average age	39.5	39.1	38.8
Average years of continuous service	14.6	14.6	14.4
Employee turnover ²	0.91%	0.98%	0.80%
Employee retention rate (three years after joining)	97.4%	96.9%	97.2%

1. Figures include Tosoh employees seconded to group companies.

2. Figures reflect voluntary retirees, excluding mandatory retirees; transfers to Tosoh Group companies; promotions to executive positions; expirations of sick leave period; and punitive dismissals.

IN HARMONY WITH OUR EMPLOYEES

Work Style Reform

Tosoh introduced work style reforms in April 2015. Reforms include reducing the total annual actual working hours and creating more comfortable workplaces.

Specifically, we are working on various measures to foster time awareness, enhance systems for creating a comfortable work environment, respond quickly to legal revisions, and promote operational efficiency throughout the company and in each workplace.

The Tosoh Group's goal is to establish a virtuous cycle which enhances the work environment and employee satisfaction and builds a strong corporate structure to underpin the sustainable growth of the Tosoh Group.

FY 21 Results	
Annual total working hours ¹	1,910 hours/person
Annual total overtime working hours ¹	194 hours/person
Rate of use of annual paid leave ²	79.2%

1. Data is for nonexecutive level personnel, including those seconded to Group companies.

2. The calculation period covers July of the current year through June of the following year. It includes employees seconded to Group companies.

Female Employees

Tosoh places high priority on recruiting and employing women. We have hired a total of 93 women over the past three years, bringing the percentage of female employees in our workforce to 9.9%.

In addition, in accordance with our action plan based on Japan's Act on the Promotion of Women's Participation and Advancement in the Workplace, we are promoting the retention and advancement of female employees by expanding the hiring ratio and job scope and nurturing the development of female executives.

	FY 19	FY 20	FY 21
Number of female employees	322	336	363
Number of female new graduates or mid-career female hires	26	35	33
Number of management-level female employees*	10	13	15
Proportion of management-level female employees*	0.98%	1.26%	1.50%

*Includes employees seconded to Group companies.

IN HARMONY WITH OUR EMPLOYEES

Work-Life Balance

Tosoh is expanding its company regulations and creating a workplace culture that supports employees in balancing work and private life.

In terms of support systems for childbirth, childcare, and nursing care, we have established a variety of leave and absence systems as well as shorter working hours, making it easy for employees to take advantage of these systems.

In addition, to promote understanding not only among users of the systems but also among people around them, we have prepared a guidebook that explains how to use each system in an easy-to-understand manner.

Tosoh will continue to foster a workplace environment that recognizes and values diverse employee lifestyles and creates motivation and satisfaction among all employees.

		FY 19	FY 20	FY 21
Childcare leave recipients (new) and percentage taken/returned to work	Men	22 Leave taken: 14% Returned: 100%	22 Leave taken: 15% Returned: 100%	63 Leave taken: 35.2% Returned: 100%
	Women	13 Leave taken: 100% Returned: 90%	13 Leave taken: 100% Returned: 100%	18 Leave taken: 100% Returned: 88.2%
Paternity and childcare leave recipients		125 Leave taken: 81.7%	157 Leave taken: 89.7%	171 Leave taken: 95.5%
Employees taking advantage of reduced working hours to facilitate child care		40	38	38
Extended family care leave recipients		0	0	0
Family care leave recipients		14	19	14

Includes employees seconded to Group companies.

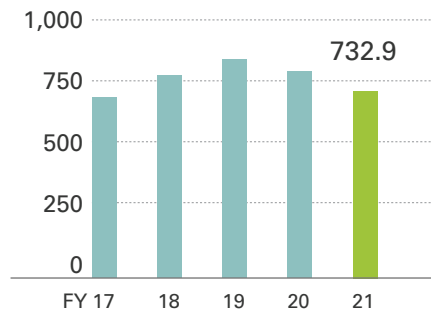
FINANCIAL HIGHLIGHTS



FINANCIAL HIGHLIGHTS

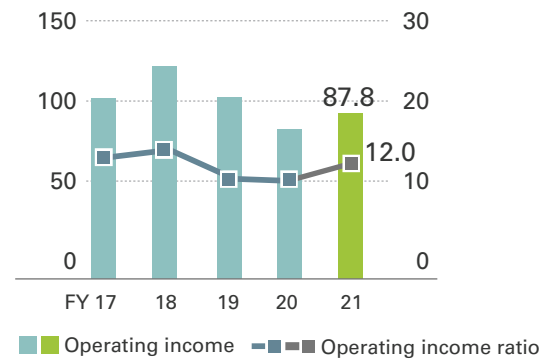
Net Sales

(billions of yen)



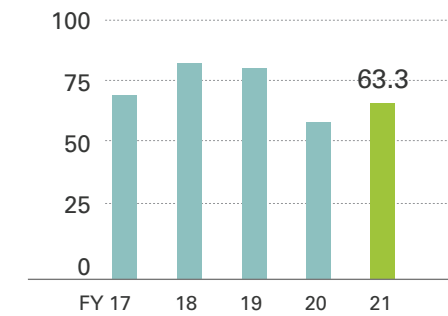
Operating Income/Operating Income Ratio

(billions of yen)



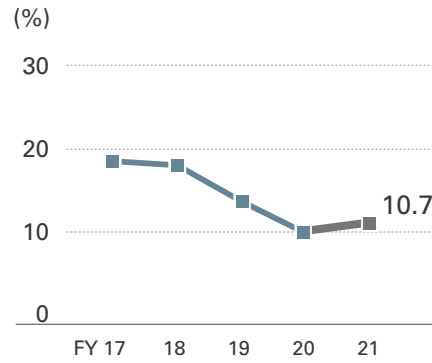
Profit Attributable to Owners of the Parent Company

(billions of yen)

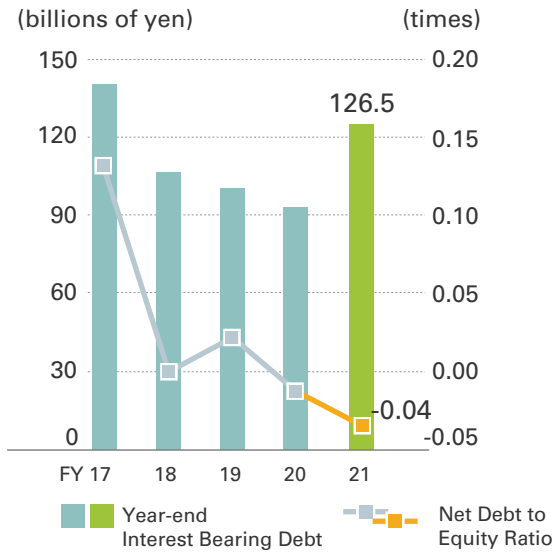


FINANCIAL HIGHLIGHTS

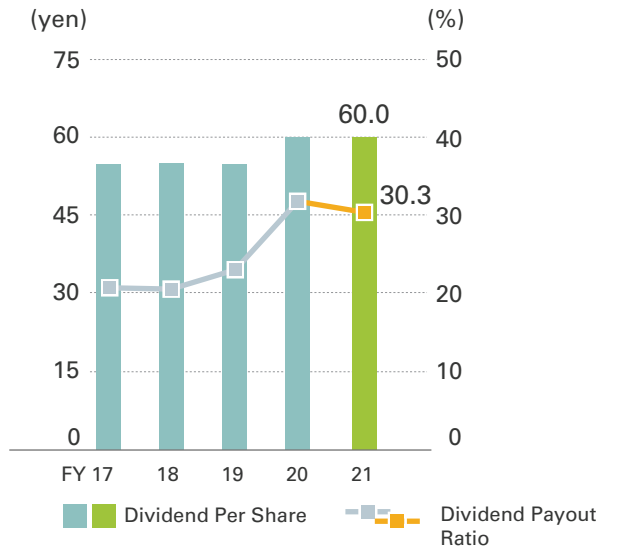
Return on Equity (ROE)



Year-end Interest Bearing Debt/ Net Debt to Equity Ratio



Dividend Per Share/ Dividend Payout Ratio



Direction of Capital Investment

Commodities

- Further strengthen the business base
- Further strengthen derivative products

Specialties

- Expand capacity in growth areas
- Further invest in semiconductor-related businesses based on demand trends

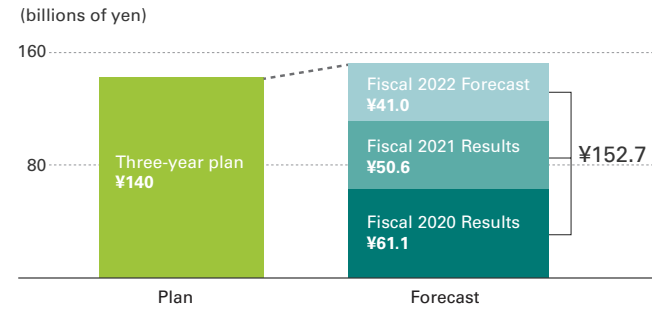
Infrastructure

- Strengthen and improve the efficiency of logistics infrastructure

Key Initiatives

- Investments will be made in accordance with the medium-term business plan, with the cumulative investment for the three-year period expected to exceed the plan by about ¥10 billion.
- We will continue to seek M&A opportunities, mainly in the bioscience field.

Cumulative capital investment for the three years from fiscal 2020 to fiscal 2022



**Review of Operations:
Petrochemical Group**

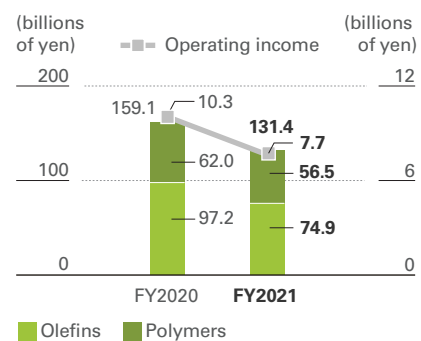
Olefins Division

The olefins business is centered on the naphtha cracker located at the Yokkaichi Complex within the greater Kasumi Industrial Complex. Tosoh produces ethylene, propylene, and other basic petrochemical raw materials.

Polymers Division

Aiming to be unique and distinctive in this business, we provide products that meet a wide range of needs while integrating the fields of polyethylene and functional polymers.

Petrochemical Group



**Review of Operations:
Chlor-alkali Group**

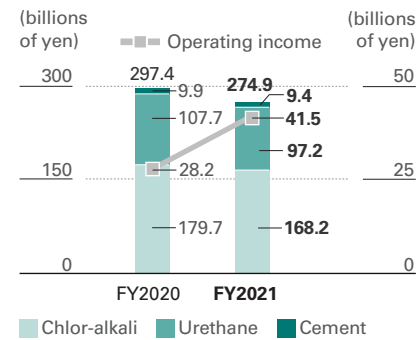
Chlor-alkali Division

Tosoh produces caustic soda and chlorine at one of the largest electrolysis facilities in Asia. Caustic soda is used in paper, chemical fiber, and alumina production. Chlorine is utilized in a wide range of industries, including raw materials for PVC resin, sterilization, and bleaching.

Urethane Division

Polyurethane is used in a wide variety of applications, including automobiles, home appliances, housing, and industrial materials. It contributes to energy conservation and weight reduction which contributes to better performance of EVs.

Chlor-alkali Group



**Review of Operations:
Specialty Group**

Organic Chemicals Division

The company's business is centered on ethyleneamines, environmental chemicals, bromine, and flame retardants. Our highly original products contribute to the reduction of environmental impact and support people's daily lives.

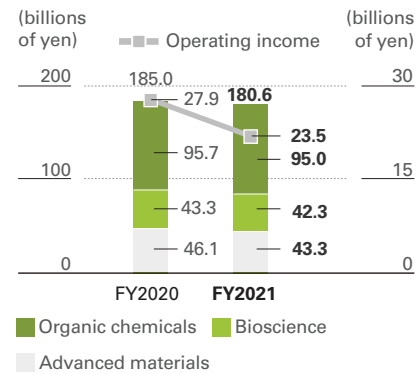
Bioscience Division

The company operates in the fields of separation and purification and diagnosis, providing services ranging from the development, manufacture, and sale of instruments and reagents to maintenance and customer support.

Advanced Materials Division

With a wide array of products including synthetic zeolites, zirconia, thin film materials, and silica glass, we are expanding our business globally. Featuring unique functional capabilities, our products contribute to the enrichment of society and the reduction of environmental impact.

Specialty Group



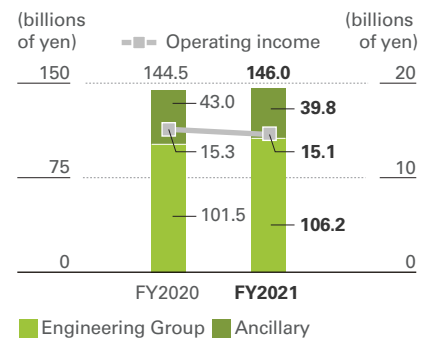
**Review of Operations:
Engineering Group**

The Engineering Group manufactures and sells water treatment systems and operates construction and repair businesses.

Ancillary

Tosoh's ancillary operations encompass a wide array of businesses, ranging from transportation and warehousing to inspection and analysis and information processing.

Engineering Group/Ancillary



10-YEAR FINANCIAL HIGHLIGHTS (CONSOLIDATED)

(millions of yen, unless otherwise indicated)

10-Year Financial Highlights (consolidated)										
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Business Results										
Net Sales	687,131	668,494	772,272	809,683	753,736	743,028	822,857	861,456	786,083	732,850
Petrochemical	193,323	187,641	223,458	223,746	175,436	161,747	174,768	183,926	159,140	131,386
Chlor-alkali	243,792	237,287	286,269	294,333	279,849	279,684	335,023	337,377	297,356	274,862
Specialty	135,266	131,746	153,425	174,855	174,531	175,880	187,116	197,422	185,042	180,593
Engineering	74,526	72,740	68,562	75,745	84,184	86,566	84,824	98,918	101,496	106,207
Ancillary	40,221	39,077	40,555	41,003	39,734	39,149	41,124	43,811	43,047	39,801
Operating Income	23,737	24,463	41,573	51,397	69,444	111,216	130,580	105,739	81,658	87,819
Petrochemical	12,498	10,543	14,789	6,920	11,608	20,072	22,521	13,392	10,299	7,703
Chlor-alkali	-9,969	-1,606	3,874	8,321	17,987	47,926	66,620	45,996	28,198	41,519
Specialty	13,054	8,981	19,225	29,981	32,700	35,382	33,899	35,348	27,885	23,538
Engineering	5,746	4,360	1,258	3,330	4,576	5,145	4,868	8,303	12,740	11,988
Ancillary	2,407	2,183	2,425	2,843	2,570	2,689	2,671	2,698	2,534	3,069
Ordinary Income	24,773	33,580	49,508	60,197	65,814	113,094	132,256	113,027	85,963	95,138
Profit Attributable to Owners of Parent Company	9,379	16,867	29,564	62,297	39,675	75,664	88,795	78,133	55,550	63,276
Earnings Per Share	15.67	28.17	49.35	103.97	62.61	116.56	273.49	240.62	171.03	197.89
Financial Position										
Total Assets	708,720	735,102	721,748	764,205	734,770	782,623	852,803	878,194	886,591	982,776
Current Assets	380,893	411,110	401,966	430,275	415,682	448,014	500,620	500,759	482,079	552,517
Fixed Assets	327,827	323,991	319,781	333,930	319,087	334,608	352,182	377,434	404,512	430,258
Liabilities	508,522	515,816	471,951	443,421	361,045	334,287	324,736	298,692	276,931	321,096
Current Liabilities	334,933	366,460	340,636	318,170	259,850	247,886	254,552	242,253	220,223	263,620
Fixed Liabilities	173,589	149,356	131,314	125,250	101,195	86,400	70,184	56,439	56,708	57,476
Net Assets	200,197	219,285	249,797	320,783	373,724	448,335	528,066	579,501	609,660	661,679
(including equity capital)	171,068	188,747	219,195	288,959	340,157	413,210	490,824	540,836	567,546	615,570

10-YEAR FINANCIAL HIGHLIGHTS (CONSOLIDATED)

(millions of yen, unless otherwise indicated)

10-Year Financial Highlights (consolidated)										
	FY 2012	FY 2013	FY 2014	FY 2016	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Cash Flow	55,322	36,075	67,238	54,106	99,884	115,715	115,429	77,511	99,923	95,106
Cash Flow from Investment Activities	-17,582	-23,447	-26,065	-34,114	-27,916	-34,723	-43,129	-63,310	-70,335	-46,352
Cash Flow from Financing Activities	-22,661	-24,517	-45,533	-20,718	-50,826	-68,829	-51,744	-26,962	-23,964	1,585
Free Cash Flow	37,740	12,628	41,172	19,991	71,967	80,992	72,300	14,200	29,588	48,753
Key Indicators										
Equity Ratio (%)	24.1	25.7	30.4	37.8	46.3	52.8	57.6	61.6	64.0	62.6
Operating Income Ratio (%)	3.5	3.7	5.4	6.3	9.2	15.0	15.9	12.3	10.4	12
Return on Equity (%)	5.6	9.4	14.5	24.5	12.6	20.1	19.6	15.1	10.0	10.7
Return on Assets (%)	3.5	4.7	6.8	8.1	8.8	14.9	16.2	13.1	9.7	10.2
Net Debt-to-Equity Ratio (times)	1.6	1.4	1.1	0.7	0.4	0.1	-	-	-	-
Capital Expenditures	19,303	26,191	23,701	27,923	27,923	37,755	39,494	64,829	61,134	50,627
Depreciation and Amortization	43,240	35,011	31,827	32,789	31,788	27,407	29,755	31,308	32,057	37,534
R&D Expenses	12,879	12,208	12,513	12,877	13,743	14,370	15,502	16,643	18,244	19,483
Interest-Bearing Debt	343,558	325,996	286,204	271,526	199,574	139,843	107,840	101,072	95,858	126,526
Number of Employees (consolidated)	11,238	11,268	11,421	11,594	12,037	12,292	12,595	12,955	13,336	13,631
Number of Consolidated Companies	112	113	112	106	107	107	106	105	107	106
Total Number of Shares Outstanding	601,161	601,161	601,161	601,161	650,161	650,161	325,080	325,080	325,080	325,080
Number of Shareholders	42,511	41,619	34,629	32,597	34,274	27,596	29,464	32,057	32,446	29,006
Dividend Per Share (yen)	6.00	6.00	6.00	10.00	14.00	24.00	56.00	56.00	56.00	60.00
Dividend Payout Ratio (%)	38.3	21.3	12.2	9.6	22.4	20.6	20.5	23.3	32.7	30.3
Foreign Stock Owners Ratio (%)	23.05	21.73	23.67	26.19	25.53	32.35	36.24	31.40	30.9	31.73
Price Earnings Ratio (times)	14.7	9.3	8.1	5.8	7.6	8.4	7.6	7.2	7.2	10.7

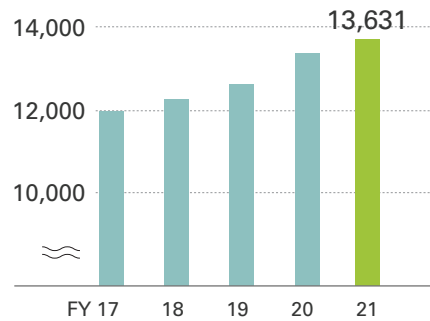
Note: For fiscal year 2018, figures account for the one-to-two reverse stock split of common shares executed on October 1, 2017.

NONFINANCIAL HIGHLIGHTS

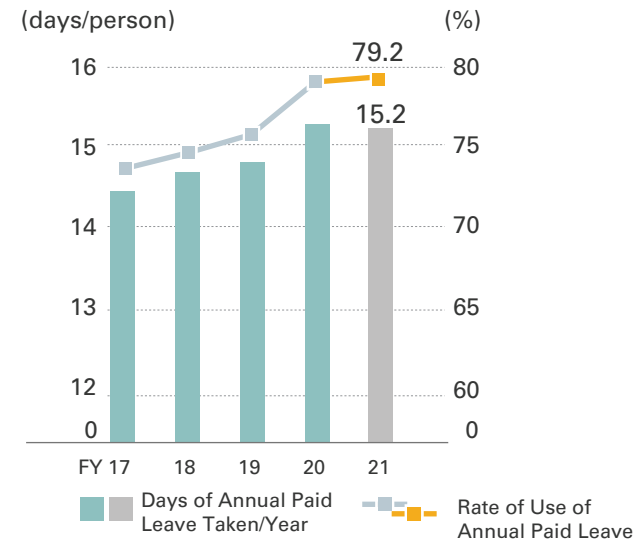


NONFINANCIAL HIGHLIGHTS

**Number of Employees
(as of March 31, 2021)**



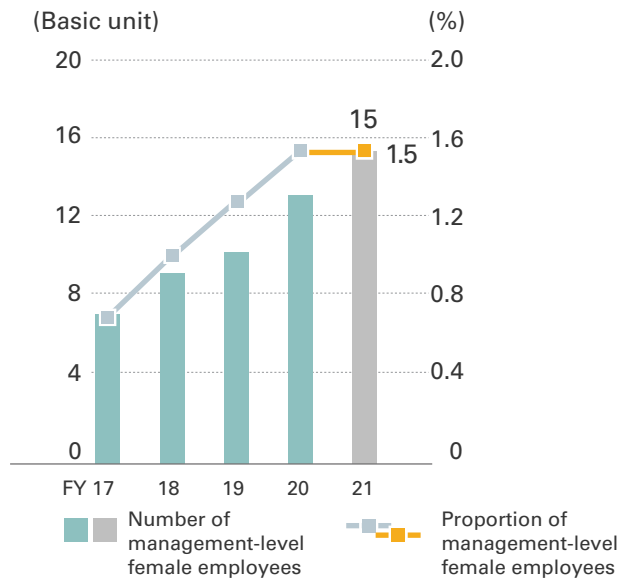
**Days of Annual Paid Leave Taken/Year
Rate of Use of Annual Paid Leave**



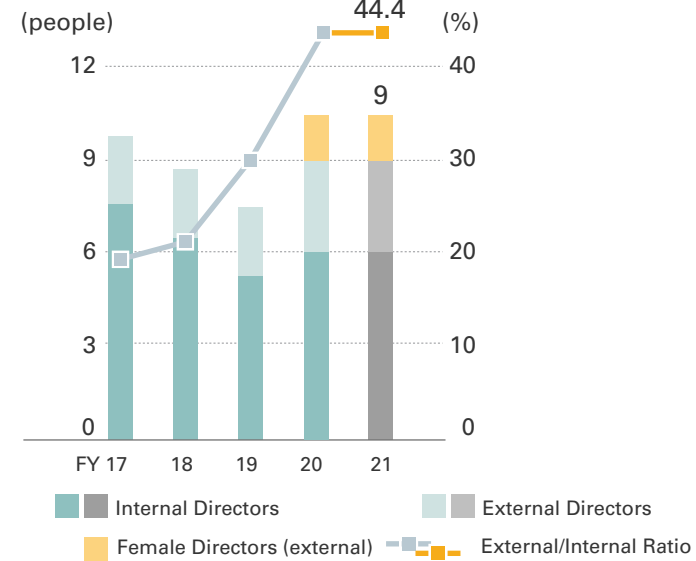
NONFINANCIAL HIGHLIGHTS

Number of Management-Level Female Employees

Basic unit/proportion of management-level female employees



Composition of Board of Directors





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