

2024



**Add Goodness** 



### **Environmental Data**

#### Initiatives for Reducing CO<sub>2</sub> Emissions

Greenhouse Gas Emissions

Unit: kt-CO2

	FY2019	FY2020	FY2021	FY2022	FY2023
ADEKA	151.0	147.6	150.9	139.7	128.5
Group companies in Japan	14.3	14.0	15.5	14.1	13.6
Overseas companies	68.7	91.6	90.8	85.3	78.5

Greenhouse Gas Emission Intensity Index (from energy consumption)

Unit: t-CO<sub>2</sub>/t

	FY2019	FY2020	FY2021	FY2022	FY2023
ADEKA (the manufacturing division)	0.427	0.428	0.428	0.435	0.457
Group companies in Japan (the manufacturing divisions)	0.371	0.364	0.411	0.388	0.427

#### Breakdown of Greenhouse-Gas Emission Volumes in FY2023 (CO<sub>2</sub> equivalents)

Total				220.5 kt-CO <sub>2</sub>
	Electric power	40.7%	Non-energy sources	3.9%
breakdown	Steam	20.8%	Arising from production processes	4.9%
	Gas	15.8%	Fluorocarbons	0.7%
	Heavy oil and other fossil fuels	13.1%		

#### CO<sub>2</sub> Emissions and Scope 3 Breakdown

Scope: Companies covered by our consolidated financial results

Unit: kt-CO2

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Scope and cat	tegory		Emissions
Scope 1			84.9
Scope 2			135.7
Scope 3*			979.2
	Category1	Purchased goods and services	626.8
	Category2	Capital goods	40.9
	Category3	Fuel- and energy-related activities not included in Scope 1 and 2	54.8
	Category4	Transportation and distribution	71.1
	Category5	Waste generated by operations	39.3
	Category6	Business trips	0.9
	Category7	Employee commuting	2.1
	Category9	Transportation and distribution (downstream)	25.5
	Category12	End-of-Life Treatment of Sold Products	117.8

 $<sup>^{\</sup>star}$  Scope 3 does not include our six domestic subsidiaries without manufacturing facilities.

#### Resource Utilization

Raw Materials/Manufacturing Volume

Unit: t

	FY2019	FY2020	FY2021	FY2022	FY2023
Raw material input	203,727	192,519	198,710	181,423	178,704
Manufacturing volume	488,003	469,989	483,711	444,539	414,426



#### **Energy-Saving Activities**

**Energy Consumption** 

Unit: thousand kL

	FY2019	FY2020	FY2021	FY2022	FY2023
ADEKA	67.3	67.0	70.0	67.6	64.2
Group companies in Japan	7.8	7.9	8.6	9.8	7.0
Overseas companies*	28.3	27.9	30.0	27.8	27.1

<sup>\*</sup> Excluding Nihon Nohyaku's overseas subsidiaries

Energy Consumption Intensity

Unit: thousand kL/t

	FY2019	FY2020	FY2021	FY2022	FY2023
ADEKA (the manufacturing division)	0.1886	0.1927	0.1970	0.2024	0.2132

#### Breakdown of Energy Consumption in FY2023

Total			64	.2 thousand kL
Percentage	Electric power	48.2%	Gas	19.6%
breakdown	Steam	24.3%	Heavy oil and other fossil fuels	8.0%

#### Preventing Water Pollution

Usage of Water

Unit: thousand m<sup>3</sup>

	FY2019	FY2020	FY2021	FY2022	FY2023
ADEKA	12,356	11,657	12,280	11,943	11,359
Group companies in Japan	491	531	615	370	328
Overseas companies	442	455	470	461	455

Usage of Water (by source)

Unit: thousand m<sup>3</sup>

	FY2019	FY2020	FY2021	FY2022	FY2023
Tap water	593	640	616	594	590
Groundwater	6,443	6,048	6,897	6,197	5,841
Brackish surface water/Seawater	3,388	2,745	2,952	3,384	3,154
Surface water (rivers, lakes, etc.)	0	0	0	0	0
Industrial use water	2,631	2,953	2,672	2,368	2,339
Other (pure water)	234	256	229	231	219

Water Discharge

Unit: thousand  ${\rm m}^{\rm 3}$ 

	FY2019	FY2020	FY2021	FY2022	FY2023
ADEKA	10,119	9,388	10,130	10,643	9,910
Group companies in Japan	536	518	518	336	304
Overseas companies	300	295	338	270	269

By Drainage Destination

Unit: thousand m<sup>3</sup>

	FY2019	FY2020	FY2021	FY2022	FY2023
Rivers, lakes, etc.	6,102	6,152	6,441	6,391	5,897
Seawater	3,658	3,010	3,223	3,631	3,393
Discharge to a third party	1,194	1,039	1,322	1,227	1,194



Chemical Oxygen Demand Emis	sions
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	FY2019	FY2020	FY2021	FY2022	FY2023
ADEKA	27.5	23.9	24.9	26.6	26.2
Group companies in Japan	1.0	3.4	16.4	1.1	2.5
Overseas companies	316.6	339.6	321.6	219.6	303.1

#### Biological Oxygen Demand Emissions

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	FY2019	FY2020	FY2021	FY2022	FY2023
ADEKA	39.0	29.4	33.6	33.1	35.8
Group companies in Japan	2.2	1.3	10.5	1.3	22.6
Overseas companies	5.6	4.1	4.9	6.8	8.6

#### Preventing Air Pollution

SOx Emissions

Unit: t

	FY2019	FY2020	FY2021	FY2022	FY2023
ADEKA	0.3	0.5	0.5	0.3	0.3
Group companies in Japan	0.2	1.3	0.6	0.5	0.1
Overseas companies	0.1	0.1	0.0	0.4	0.4

#### NOx Emissions

Unit: t

	FY2019	FY2020	FY2021	FY2022	FY2023
ADEKA	47.4	53.6	69.7	96.2	33.5
Group companies in Japan	0.3	10.2	4.7	1.1	5.8
Overseas companies	1.9	1.6	1.1	2.3	1.3

#### Soot/Dust Emissions

Unit: t

	FY2019	FY2020	FY2021	FY2022	FY2023
ADEKA	6.2	4.2	3.6	2.7	2.2
Group companies in Japan	0.0	0.0	6.1	0.0	0.0
Overseas companies	0.1	0.2	0.1	0.1	0.3

#### Appropriate Management of Chemical Substances

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	FY2019	FY2020	FY2021	FY2022	FY2023	
ADEKA (Air)	11.4	14.2	20.4	11.1	27.5	
ADEKA (Water)	3.1	3.0	3.0	3.0	5.9	
Group companies in Japan (Air)	5.9	3.8	4.1	4.8	5.2	

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	FY2019	FY2020	FY2021	FY2022	FY2023			
ADEKA	167.5	164.8	244.4	154.1	113.0			
Group companies in Japan	13.7	9.0	9.8	11.2	1.2			



#### Discharge and Transfer of Chemical Substances

Scope: ADEKA and one domestic chemical manufacturing subsidiary

Unit: t

Ordinance Designation Number	Substance		Discharge				Transfer		
		Air	Public Waters	Soil	Landfill Waste	Sewage	External Transfer		
53	Ethylbenzene	0.0	0.0	0.0	0.0	0.0	1.2		
80	Xylene	0.0	0.0	0.0	0.0	0.0	19.0		
125	Chlorobenzene	0.2	0.0	0.0	0.0	0.0	7.2		
127	Chloroform	0.1	0.0	0.0	0.0	0.0	4.8		
157	1,2-Dichloroethane	0.5	0.0	0.0	0.0	0.0	14.0		
186	Dichloromethane	0.7	0.0	0.0	0.0	0.0	29.0		
207	Dibutylhydroxytoluene	0.0	0.0	0.0	0.0	0.0	1.0		
277	Triethylamine	0.0	0.2	0.0	0.0	0.0	9.9		
300	Toluene	17.8	0.0	0.0	0.0	0.0	6.3		
318	Carbon disulfide	5.8	0.0	0.0	0.0	0.0	0.0		
392	Hexane	3.5	0.0	0.0	0.0	0.0	4.1		
395	Water-soluble salts of peroxodisulfuric acid	0.0	3.5	0.0	0.0	0.0	1.0		
405	Boron compounds	0.0	0.0	0.0	0.0	0.0	0.3		
438	Methyl naphthalene	0.1	0.0	0.0	0.0	0.0	0.0		
453	Molybdenum and its compounds	0.0	0.0	0.0	0.0	0.0	2.5		
458	Tris (2-ethylhexyl) phosphate	0.0	0.0	0.0	0.0	0.0	0.8		
591	Ethyl cyclohexane	0.0	0.0	0.0	0.0	0.0	0.3		
594	Butyl cellosolve	1.4	0.0	0.0	0.0	0.0	0.6		
603	Peracetic acid	0.2	2.0	0.0	0.0	0.0	0.0		
627	Diethylene glycol monobutyl ether	1.3	0.0	0.0	0.0	0.0	3.5		
629	Cyclohexane	0.2	0.0	0.0	0.0	0.0	0.5		
691	Trimethyl benzene	0.1	0.0	0.0	0.0	0.0	0.0		
708	(1-hydroxyethane-1,1-diyl) diphosphonate and its potassium and sodium salts	0.0	0.2	0.0	0.0	0.0	0.0		
731	Heptane	0.3	0.0	0.0	0.0	0.0	0.7		
736	Acetic anhydride	0.0	0.0	0.0	0.0	1.2	0.0		
737	Methyl isobutyl ketone	0.1	0.0	0.0	0.0	0.0	4.9		
754	Dimethyl sulfate	0.0	0.0	0.0	0.0	0.0	1.2		
Sub-to	tal	32.2	5.9	0.0	0.0	1.2	112.7		
Other	substances (52 types)	0.5	0.0	0.0	0.0	0.0	0.2		
Total		32.7	5.9	0.0	0.0	1.2	112.9		



#### Appropriate Management of the Disposal of Industrial Waste

Industrial Waste Generated

Unit: kt

	FY2019	FY2020	FY2021	FY2022	FY2023
ADEKA	47.4	46.4	49.0	45.1	39.9
Group companies in Japan	13.2	9.4	9.4	11.5	7.0
Overseas companies*	12.1	12.2	13.0	12.7	11.6
Total	72.6	68.0	71.4	69.3	58.5

<sup>\*</sup> Excluding Nihon Nohyaku's overseas subsidiaries

#### Breakdown of Industrial Waste

(Scope: ADEKA and Group companies in Japan)

Total				46.9 kt
Percentage	Waste oil	34%	Various waste plastics	2%
breakdown	Waste acid	8%	Animal and plant wastes	1%
	Sludge	12%	Other	2%
	Waste alkali	41%		

#### Outsourced Disposal of Industrial Waste

Unit: kt

	FY2019	FY2020	FY2021	FY2022	FY2023
ADEKA	17.8	18.5	17.8	15.5	11.3
Group companies in Japan	9.9	7.8	7.2	2.8	3.9
Overseas companies*	11.8	11.9	12.7	12.7	11.5
Total	39.4	38.2	37.8	31.0	26.7

<sup>\*</sup> Excluding Nihon Nohyaku's overseas subsidiaries

#### Breakdown of the Total Volume of Waste Treated by External Contractors

(Scope: ADEKA and Group companies in Japan)

Total				15.2 kt
Percentage		16%	Various waste plastics	7%
breakdown	Waste acid	4%	Animal and plant wastes	3%
	Sludge	29%	Other	5%
	Waste alkali	36%		

#### Zero Emissions Rate for Landfill Disposal of Industrial Waste

Scope: ADEKA and Group companies in Japan

	FY2019	FY2020	FY2021	FY2022	FY2023
Final landfill volume (Unit: t)	50.2	44.0	42.5	127.0	36.7
Zero emissions rate (Unit: %)	0.10	0.09	0.08	0.26	0.09

#### Recycling Rate

Scope: ADEKA and Group companies in Japan

	FY2019	FY2020	FY2021	FY2022	FY2023
Recycling rate (Unit: %)	43.7	36.7	41.9	45.2	51.5



### **Environmental Accounting**

#### Environmental Conservation Costs

Unit: Millions of yen (rounded to the nearest unit)

Environmental Conservation Code				
Category	Description of Main Initiatives	Environmental Conservation Cost	Amount of Environmental Investment	
(1) Business area cost				
1) Pollution prevention costs	Prevention of air, water and soil pollution and of noise, vibration, stench and land subsidence	1,003	223	
2) Global environmental conservation costs	Preventing global warming (conserving energy), preventing damage to the ozone layer	323	272	
3) Resource recycling costs	Reducing and recycling resources and minimizing the generation of waste material	427	36	
(2) Upstream/downstream cost	Green procurement, reducing the environmental burden imposed by containers and packaging, collecting and re-commercializing products	3	0	
(3) Administration cost	Environmental ISO, disclosure of environmental information, environmental impact monitoring, greening	102	0	
(4) R&D cost	R&D expenses for environmental conservation	514	23	
(5) Social activity cost	Greening and beautification of areas outside the offices and plants, donating and supporting environmental conservation organizations	4	0	
(6) Environmental remediation cost	Purification efforts to improve water quality and remove soil pollution, restoration of nature	0	0	
Total		2,376	553	

#### **Environmental Conservation Effect**

Classification	Environmental Performance Indicators	Unit	FY2022	FY2023	Year-on-year
Resources for business activities	Quantity of specific managed substances input	t	20,542	18,559	90.3%
Goods and services produced by business activities	Quantity of used products, containers and packaging circulated and used	t	1,070	857	80.2%
	Quantity of containers and packaging used	t	5,431	4,990	91.9%
Other	Emissions of environmentally hazardous substances from logistics	t	88,189	77,157	87.5%



Economic Effects with Environmental Conservation Measures

Unit: Mil	lions of	ven i	íround	ed to	the	nearest	unit)

Details of Effects	Amount
Income earned by recycling, profits from the sale of valuable resources, etc.	194
Reduction in costs through introducing resources from the environment into business activities	236
Reduction in the burden imposed by business activities on the environment and costs related to the generation of waste material	41
Total	471
Degree of effects (Calculated by dividing the economic effects resulting from environmental conservation activities by the costs of these activities)	16.1%

Cost of Environmental Initiatives and Amount Invested

Unit: Millions of yen (	rounded to the	nearest unit)
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	FY2019	FY2020	FY2021	FY2022	FY2023
Environmental conservation cost	2,347	2,413	3,776	2,657	2,376
Amount of environmental investment	1,652	1,100	964	755	553

#### Notes on environmental data:

- \*Scope 1 and Scope 2 emissions for FY2019 through FY2022 are under review at some business locations.
- \* Environmental data covers companies covered by our consolidated financial results excluding our overseas sales subsidiaries, and the figures for FY2019 and beyond have been revised due to the inclusion of Nihon Nohyaku and its group companies in the scope of data.
- Nihon Nohyaku and its domestic group companies are included in the scope of data for greenhouse gas emissions from FY2019 onward. Its overseas group companies are also included from FY2020 onward.
- Nihon Nohyaku and its domestic companies are included in the scope of data for SOx emissions, NOx emissions and soot/dust emissions from FY2020 onward. In addition, its overseas group companies are also included from FY2023 onward.
- Nihon Nohyaku and its group companies are not included in the scope of data for usage of resources, usage of water, wastewater discharge, discharge and transfer of PRTR substances, zero emissions rate, and recycling rate.
- ADEKA, three ADEKA domestic manufacturing subsidiaries and the Nihon Nohyaku Group (excluding overseas subsidiaries) are included in the scope of data for environmental accounting.

# Society



### **Human Rights and Human Resources**

#### **Expanding Opportunities for Utilizing Human Resources**

Human Resources Data

Scope: ADEKA

ltem	FY2020	FY2021	FY2022	FY2023
Non-prescribed work time (per month)	12.8hours	14.6hours	13.7hours	13.4hours
Number of employees working Male	1	1	1	0
shortened hours Female	34	34	32	48
Percentage taking annual paid leave	64.0%	69.6%	70.7%	79.9%
Percentage taking refreshment leave*	18%*	13%*	79%	81%
Male	27.4%	37.5%	49.1%	57.4%
Childcare leave utilization rate  Female	100%	100%	100%	100%
Number of employees taking Male	17	27	26	31
childcare leave Female	9	12	15	8
Number of employees taking nursing care leave of absence	0	2	2	0
Number of employees taking nursing care leave	5	14	16	18
Percentage returning Male	100%	100%	100%	100%
to workplace after childcare leave Female	100%	100%	100%	92%
Job retention rate after childcare Male	100%	100%	100%	100%
leave Female	100%	100%	100%	100%
Percentage receiving health check-up	100%	100%	100%	100%
Repeat health check-up rate	91.0%	97.0%	99.9%	99.9%
Stress Checks: Rate of uptake Company-wide	99.5%	99.9%	100%	100%
Training Costs per Employee (thousand yen)	51	55	57	77
Average hours of annual training/education per employee	51.0min	262.1min	179.8min	539.3min

<sup>\*</sup> Due to the impact of the worldwide COVID-19 pandemic, the rate of uptake of refreshment leave declined significantly.

# Society



#### Human Resources Data

Scope: ADEKA (Excluding consolidated employees)

Number of consolidated employees   5,378   5,466   5,494   5,512	ltem		FY2020	FY2021	FY2022	FY2023
Number of non-consolidated employees   1,533   1,522   1,507   1,519	Number of consolidated employees		5,378	5,466	5,494	5,512
employees         Male         1,333         1,522         1,507         1,517           Employee average age         Overall         38.5         38.9         39.6         39.9           Employee average age         Male         38.7         39.2         39.8         40.2           Female         37.2         37.6         38.1         38.1           Average length of employment         Male         15.9years         16.0years         16.5years           Women as percentage of employees         15.4%         15.8%         16.1%         16.3years           Women as percentage of managers         3.3%         3.5%         4.6%         5.4%           Number of new graduates hired         Male         54         32         24         39           Employee turnover rate         Male         2.2%         3.5%         3.4%         3.1%           Employee turnover rate         Male         2.2%         3.5%         3.3%         2.4%           Employee turnover rate         Male         2.2%         3.5%         3.3%         2.4%           Employee turnover rate         Male         2.2%         3.5%         3.3%         2.4%           Employee turnover rate         Male		Overall	1,812	1,808	1,796	1,815
Pemale   279   286   289   296   289   296   38.5   38.9   39.6   39.9   38.5   38.9   39.6   39.9   38.5   38.7   39.2   39.8   40.2   37.2   37.6   38.1   38.		Male	1,533	1,522	1,507	1,519
Employee average age         Male         38.7         39.2         39.8         40.2           Female         37.2         37.6         38.1         38.1           Average length of employment         Male         15.6 years         16.0 years         16.5 years         16.8 years           Average length of employment         Male         15.9 years         16.3 years         16.9 years         17.3 years           Women as percentage of employees         15.4%         15.8%         16.1%         16.3%           Women as percentage of managers         3.3%         3.5%         4.6%         5.4%           Number of new graduates hired         Male         54         32         24         39           Female         16         13         10         14           Employee turnover rate         Male         2.2%         3.5%         3.3%         2.4%           Employee turnover rate         Ma		Female	279	286	289	296
Temale   37.2   37.6   38.1   39.2   38.2   39.2		Overall	38.5	38.9	39.6	39.9
Average length of employment    Male   15.6 years   16.0 years   16.5 years   16.8 years   17.3 years   16.9 years   17.3 years   16.9 years   17.3 years   17.2	Employee average age	Male	38.7	39.2	39.8	40.2
Average length of employment         Male Female         15.9 years         16.3 years         17.3 years           Women as percentage of employees         15.4%         15.8%         16.1%         16.3%           Women as percentage of managers         3.3%         3.5%         4.6%         5.4%           Number of new graduates hired         Male         54         32         24         39           Number of new graduates hired         Male         54         32         24         39           Employee turnover rate         Male         2.1%         3.4%         3.4%         3.1%           Employee turnover rate         Male         2.2%         3.5%         3.3%         2.4%           Voluntary retirement rate         Male         1.2%         2.5%         2.5%         2.5%         2.3%      <		Female	37.2	37.6	38.1	38.1
Temale   13.7years   14.1years   14.6years   14.3years		Overall	15.6 years	16.0 years	16.5 years	16.8 years
Number of new graduates hired   15.4%   15.8%   16.1%   16.3%	Average length of employment	Male	15.9 years	16.3 years	16.9 years	17.3 years
Number of new graduates hired   Male   54   32   24   39		Female	13.7 years	14.1 years	14.6 years	14.3 years
Number of new graduates hired   Male   54   32   24   39	Women as percentage of employees		15.4%	15.8%	16.1%	16.3%
Number of new graduates hired   Male   54   32   24   39	Women as percentage of managers		3.3%	3.5%	4.6%	5.4%
Coverall   2.1%   3.4%   3.4%   3.1%		Overall	70	45	34	53
Coverall   2.1%   3.4%   3.4%   3.1%	Number of new graduates hired	Male	54	32	24	39
Employee turnover rate    Male		Female	16	13	10	14
Temale   1.4%   2.7%   4.0%   7.6%		Overall	2.1%	3.4%	3.4%	3.1%
1.2%   2.5%   2.5%   2.3%	Employee turnover rate	Male	2.2%	3.5%	3.3%	2.4%
Voluntary retirement rate         Male         1.2%         2.4%         2.4%         1.9%           Average monthly wage         378,253yen         379,260yen         382,399yen         394,601yen           New graduate starting salary (university graduates, includes housing allowance)         238,290yen         238,290yen         241,290yen         251,290yen           Number of foreign employees         9         9         11         14           Percentage of foreign employees         0.5%         0.5%         0.6%         0.6%           Number of employees with disabilities         35         34         35         43           People with disabilities as percentage of employees         2.12%         2.13%         2.11%         2.43%           Number of retirees rehired         29         32         36         47           Percentage of retirees rehired*         63.6%         100%         93.3%         92.9%		Female	1.4%	2.7%	4.0%	7.6%
Average monthly wage         3.0%         3.0%         3.0%         5.3%           New graduate starting salary (university graduates, includes housing allowance)         238,290 yen         238,290 yen         241,290 yen         251,290 yen           Number of foreign employees         9         9         11         14           Percentage of foreign employees         0.5%         0.5%         0.6%         0.6%           Number of employees with disabilities         35         34         35         43           People with disabilities as percentage of employees         2.12%         2.13%         2.11%         2.43%           Number of retirees rehired         29         32         36         47           Percentage of retirees rehired*         63.6%         100%         93.3%         92.9%		Overall	1.2%	2.5%	2.5%	2.3%
Average monthly wage         378,253yen         379,260yen         382,399yen         394,601yen           New graduate starting salary (university graduates, includes housing allowance)         238,290yen         238,290yen         241,290yen         251,290yen           Number of foreign employees         9         9         11         14           Percentage of foreign employees         0.5%         0.5%         0.6%         0.6%           Number of employees with disabilities         35         34         35         43           People with disabilities as percentage of employees         2.12%         2.13%         2.11%         2.43%           Number of retirees rehired         29         32         36         47           Percentage of retirees rehired*         63.6%         100%         93.3%         92.9%	Voluntary retirement rate	Male	1.2%	2.4%	2.4%	1.9%
New graduate starting salary (university graduates, includes housing allowance)238,290yen238,290yen241,290yen251,290yenNumber of foreign employees991114Percentage of foreign employees0.5%0.5%0.6%0.6%Number of employees with disabilities35343543People with disabilities as percentage of employees2.12%2.13%2.11%2.43%Number of retirees rehired29323647Percentage of retirees rehired*63.6%100%93.3%92.9%		Female	1.1%	3.0%	3.0%	5.3%
(university graduates, includes housing allowance)236,290 yen238,290 yen241,290 yen251,290 yenNumber of foreign employees991114Percentage of foreign employees0.5%0.5%0.6%0.6%Number of employees with disabilities35343543People with disabilities as percentage of employees2.12%2.13%2.11%2.43%Number of retirees rehired29323647Percentage of retirees rehired*63.6%100%93.3%92.9%	Average monthly wage		378,253 yen	379,260 yen	382,399 yen	394,601 yen
Percentage of foreign employees         0.5%         0.5%         0.6%           Number of employees with disabilities         35         34         35         43           People with disabilities as percentage of employees         2.12%         2.13%         2.11%         2.43%           Number of retirees rehired         29         32         36         47           Percentage of retirees rehired*         63.6%         100%         93.3%         92.9%		owance)	238,290 yen	238,290 yen	241,290 yen	251,290 yen
Number of employees with disabilities35343543People with disabilities as percentage of employees2.12%2.13%2.11%2.43%Number of retirees rehired29323647Percentage of retirees rehired*63.6%100%93.3%92.9%	Number of foreign employees		9	9	11	14
People with disabilities as percentage of employees2.12%2.13%2.11%2.43%Number of retirees rehired29323647Percentage of retirees rehired*63.6%100%93.3%92.9%	Percentage of foreign employees		0.5%	0.5%	0.6%	0.6%
Of employees         2.12%         2.13%         2.11%         2.43%           Number of retirees rehired         29         32         36         47           Percentage of retirees rehired*         63.6%         100%         93.3%         92.9%	Number of employees with disabilities		35	34	35	43
Percentage of retirees rehired* 63.6% 100% 93.3% 92.9%			2.12%	2.13%	2.11%	2.43%
	Number of retirees rehired		29	32	36	47
Number of temporary employees 0 0 0	Percentage of retirees rehired*		63.6%	100%	93.3%	92.9%
	Number of temporary employees		0	0	0	0

 $<sup>\</sup>ensuremath{^{\star}}$  Including transfers of employees to posts at affiliated companies

## Society



#### Occupational Health and Safety

Number of Accidents by Year

Scope: ADEKA, ADEKA Group subsidiaries (excluding the Nihon Nohyaku Group) and subcontractors

	FY2019	FY2020	FY2021	FY2022	FY2023
Accidents with lost workdays	8	4	5	8	9
Accidents without lost workdays	10	8	3	8	5
Accidents with fatalities	0	0	0	0	0

#### Promoting Upgrading of Work Environments

Key Labor-Management Meetings

Scope: ADEKA

Labor-management councils	Management councils	ADEKA Group labor-management conference	Management conference
12 times a year	Twice a year	Once a year	Once a year

#### Response to Labor Standards Act Violations

When we receive guidance on a Labor Standards Act violation, we contact the relevant department and also make a report to the executive management. Upon consulting with the relevant department, we establish how we will rectify the identified issue and the time by which we will complete its rectification. We then manage progress until the issue has been rectified.

In addition, we share non-compliance issues company-wide to raise awareness of them and to prevent their recurrence.

### Governance



### **Corporate Governance Overview**

#### Organizational design/Frequency of committee meetings (FY2023)

	Nomination and Board of Directors Remuneration Committee		Audit and Supervisory Committee
Chairperson/Committee Chair	President and Chief Executive Officer	External director	Internal director
Structure		1 Internal director, 2 External directors	
Number of times held	Regular: 12, Extraordinary: 5, Total 17	4	6

#### **Board of directors**

	As of June 30, 2021	As of June 30, 2022	As of June 30, 2023	As of June 30, 2024
Number of directors	17	16	10	10
Number of independent external directors	6	6	5	5
Number of female directors	1	1	1	1
Ratio of female directors on the Board of Directors	6%	6%	10%	10%
Ratio of women among Operating Officers	0%	0%	0%	0%

#### Number of meetings

	FY2020	FY2021	FY2022	FY2023
Board of Directors	19	17	17	17
Nomination and Remuneration Committee	-	4	3	4
Audit and Supervisory Committee	Audit & Supervisory Board: 7	Audit & Supervisory Board: 2 Audit and Supervisory Committee: 4	Audit and Supervisory Committee: 6	Audit and Supervisory Committee: 6

### Governance



#### Board of Directors' meeting status and attendance rate (FY2023)

Position and Name	Meeting Status and Attendance Rate
Hidetaka Shirozume, President and Chief Executive Officer, Representative Director (Chairperson)	94% (16 out of 17 meetings)
Haruhiko Tomiyasu, Representative Director and Senior Managing Executive Officer	100% (17 out of 17 meetings)
Youji Shiga, Director and Operating Officer	100% (17 out of 17 meetings)
Susumu Yasuda, Director and Operating Officer	94% (16 out of 17 meetings)
Kazuyuki Nagai, External Director	100% (17 out of 17 meetings)
Shigeru Endo, External Director	100% (17 out of 17 meetings)
Makoto Horiguchi, External Director	94% (16 out of 17 meetings)
Koichi Taya, Director, Full-time Audit and Supervisory Committee Member	92% (12 out of 13 meetings)
Akio Okuyama, External Director, Audit and Supervisory Committee Member	100% (17 out of 17 meetings)
Ikuko Hirasawa, External Director, Audit and Supervisory Committee Member	100% (13 out of 13 meetings)

#### Audit and Supervisory Committee meeting status and attendance rate (FY2023)

Position and Name	Meeting Status and Attendance Rate
Koichi Taya, Director, Full-time Audit and Supervisory Committee Member	100% (6 out of 6 meetings)
Akio Okuyama, External Director, Audit and Supervisory Committee Member	100% (6 out of 6 meetings)
Ikuko Hirasawa, External Director, Audit and Supervisory Committee Member	100% (4 out of 4 meetings)

#### Nomination and Remuneration Committee meeting status and attendance rate (FY2023)

Position and Name	Meeting Status and Attendance Rate
Hidetaka Shirozume, President and Chief Executive Officer, Representative Director	75% (3 out of 4 meetings)
Kazuyuki Nagai, External Director	100% (4 out of 4 meetings)
Shigeru Endo, External Director ( Chairperson)	100% (4 out of 4 meetings)

#### Violation of the law

	FY2020	FY2021	FY2022	FY2023
Serious legal and reporting violations	0	0	0	0

#### Compliance violations, etc.

	FY2020	FY2021	FY2022	FY2023
Number of internal reports	9	9	4	10
Number of serious environmental accidents	0	0	0	0
Number of serious environmental laws and regulations violations	0	0	0	0
Fines and penalties related to violations of environmental laws and regulations	Oyen	Oyen	Oyen	0 yen

### Governance



#### Prevention of corruption

	FY2020	FY2021	FY2022	FY2023
Number of disciplinary dismissals due to bribery and anti-corruption violations	0	0	0	0
Fines, penalties, and settlements attributable to bribery and anti-corruption violations	0 yen	0 yen	0yen	0yen

#### Compliance Promotion Committee meetings (FY2023)

#### Compliance Promotion Committee

Meeting No	. Meeting Date	Contents
76th	April 26, 2023	Report on the activities by the Compliance Promotion Committee in FY2022 FY2023 compliance awareness survey proposal
77th	July 31, 2023	Guidelines for the Anti-Monopoly Act briefing Report on the compliance activities by each department in the previous fiscal year and the issues to be addressed in the current fiscal year Report on other activities by the Compliance Promotion Committee since the last meeting
78th	November 8, 2023	Compliance awareness survey results feedback proposal Compliance seminar proposal Interim report on the activities by the Compliance Promotion Committee
79th	January 22, 2024	Basic policy for the Compliance Promotion Committee in FY2024 Internal controls system check sheet (draft) report, etc.

#### Group Compliance Council

Meeting No.	Meeting Date	Contents
38th	September 2, 2023	Report on the status of compliance efforts by each company
39th	March 12, 2024	Summary of feedback from the results of the compliance awareness survey Membership of JaCER as a grievance mechanism

#### Compliance-related education and training

- Education and training activities: level-based training, compliance leader training, theme and law-based training, in-workplace training, seminars and e-learning, etc.
- Information management and information security: revision of information management and security-related regulations and standards, and education and training
- Measures to prevent harassment: harassment prevention policy formulation and rollout to subsidiaries, and education and training
- Annual briefing on insider trading regulations
- Annual briefing on the Anti-Monopoly Act
- E-learning on anti-bribery efforts

### Acquisition of Management System Certification



#### ISO 22301(Business Continuity Management Systems (BCMS))

Head Office relevant departments, Soma Plant and ADEKA LOGISTICS CORP. (Nov. 2013)

#### BS25999 (Business Continuity Management Systems (BCMS))

ADEKA FINE CHEMICAL TAIWAN CORP. (Aug. 2008)

#### ISO 9001 (Quality Management Systems)

Mie Plant (Jun. 1993)

Kashima Plant, Kashima Plant-West (Apr. 1996)

Fuji Plant (Jan. 1997)

Chiba Plant (Jul. 1997)

ADEKA POLYMER ADDITIVES EUROPE SAS (Jul. 1997)

OXIRANE CHEMICAL CORP. (Oct. 1997)

Soma Plant (Aug. 1998)

ADEKA CLEAN AID CORP. (Oct. 1999)

ADEKA KOREA CORP. (Jan. 2000)

AMFINE CHEMCAL CORP. (Oct. 2001)

ADEKA ENGINEERING & CONSTRUCTION CORP. (Mar. 2002)

KUKDO CHEMICAL (KUNSHAN) CO., LTD. (Mar. 2004)

ADEKA FINE CHEMICAL (SHANGHAI) CO., LTD. (May 2005)

ADEKA FINE CHEMICAL (CHANGSHU) CO., LTD. (May 2005)

TOKYO ENVIRONMENTAL MEASUREMENT CENTER CO., LTD. (Aug. 2005)

UEHARA FOODS INDUSTRY CO., LTD. (Nov. 2005)

ADEKA (SINGAPORE) PTE.LTD. (Apr. 2006)

ADEKA FINE CHEMICAL TAIWAN CORP. (Jul. 2006)

ADEKA FINE CHEMICAL (THAILAND) CO., LTD. (Dec. 2006)

AM STABILIZERS CORP. (Mar. 2013)

ADEKA AL OTAIBA MIDDLE EAST LLC (Sep. 2018)

ADEKA FINE CHEMICAL (ZHEJIANG) CO., LTD. (Oct. 2020)

### Acquisition of Management System Certification

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ISO 14001 (Environmental Management Systems)				
Mie Plant (Dec. 1996)	Coverage rate of obtaining ISO 14001 certification			
Kashima Plant, Kashima Plant-West (Mar. 1998)				
Fuji Plant (Apr. 2000)				
Chiba Plant (May 2000)	ADEKA 100%			
Soma Plant (Aug. 2000)				
Akashi Plant (Mar. 2001)	(7/7)			
OXIRANE CHEMICAL CORP. (Mar. 2001)	Japanese and overseas 23%			
TOKYO ENVIRONMENTAL MEASUREMENT CENTER CO., LTD. (Feb. 2003)	Group companies (12/53)			

ADEKA KOREA CORP. (Jan. 2006)

ADEKA FINE CHEMICAL (CHANGSHU) CO., LTD. (Jul. 2006)

ADEKA FINE CHEMICAL TAIWAN CORP. (Feb. 2007)

AMFINE CHEMCAL CORP. (Sep. 2007)

ADEKA FINE CHEMICAL (SHANGHAI) CO., LTD. (Jan. 2009)

ADEKA FOODS (CHANGSHU) CO., LTD. (Aug. 2009)

ADEKA FINE CHEMICAL (THAILAND) CO., LTD. (Jan. 2010)

ADEKA POLYMER ADDITIVES EUROPE SAS (Aug. 2010)

ADEKA AL OTAIBA MIDDLE EAST LLC (Dec. 2019)

ADEKA FINE CHEMICAL (ZHEJIANG) CO., LTD. (Oct. 2020)

#### FSSC 22000 (Food Safety System Certification)

Kashima Plant-West (Dec. 2011)

Kashima Plant (Dec. 2014)

Akashi Plant (Mar. 2015)

ADEKA FINE FOODS CORP. (Apr. 2016)

ADEKA (SINGAPORE) PTE.LTD. (May 2016)

ADEKA FOODS (CHANGSHU) CO., LTD. (Sep. 2016)

ADEKA FOODS (ASIA) SDN.BHD. (Oct. 2017)

#### TPM Award (Total Productive Maintenance)

Chiba Plant: 1994 Excellence Award Mie Plant: 1995 Excellence Award

OXIRANE CHEMICAL CORP.: 1995 Excellence Award

Akashi Plant: 2000 Excellence Award

Kashima Plant, Kashima Plant-West: 2007 Excellence Award-Special Award for TPM Achievement

Fuji Plant: Award for TPM Excellence, Category A (2010)

# Acquisition of Management System Certification



ISO 45001/OHSAS 18001 (Occupational Health and Safety Management Systems)		
Mie Plant (Sep. 2000)  Kashima Plant, Kashima Plant–West (Nov. 2002)  Soma Plant (Dec. 2002)	Ratio of business sites with OHSAS 18001 certification	
Akashi Plant (Mar. 2003) Chiba Plant (Oct. 2003)	ADEKA 100%	
Fuji Plant (Dec. 2003)  ADEKA FINE CHEMICAL (CHANGSHII) CO. LTD. (L.L. 2000)	Japanese and overseas 15%	
ADEKA FINE CHEMICAL (CHANGSHU) CO., LTD. (Jul. 2009)  ADEKA FOODS (CHANGSHU) CO., LTD. (Aug. 2009)  ADEKA KOREA CORP. (Apr. 2010)	Group companies (8/53)	
ADEKA POLYMER ADDITIVES EUROPE SAS (Dec. 2013)  ADEKA AL OTAIBA MIDDLE EAST LLC (Sep. 2018)  ADEKA FINE CHEMICAL (ZHEJIANG) CO., LTD. (Oct. 2020)		