











CSR Activity Management




We set a target every year in accordance with the Corporate Values of the Shinko Way and develop our activities. Targets are set by promotion departments in light of factors including identified material issues.

Our Targets and Results for FY2018

| Shinko Way Corporate Values | Theme | FY2018 target | FY2018 results | SDGs |
|--|--|---|---|--|
| Society and Environment | Promoting activities to lower our environmental impact | ● Reduce CO ₂ emissions Hold to an increase of 16.4% over the base year | ● Reduce CO ₂ emissions Held to an increase of 12.6% |      |
| | | ● Reduce waste Hold to an increase of 48.9% over the base year | ● Reduce waste Held to an increase of 29.6% | |
| | | ● Reduce resource and water usage Implement measures to reduce water use by 1.3% of amount used in base year | ● Reduce resource and water usage Implemented measures to reduce water use by 1.33% | |
| | | ● Promote green procurement • Make requests and provide support to 100% of 1st tier suppliers that have 2nd tier suppliers • Perform surveys on 100% of applicable suppliers • Survey response rate: 90% | ● Promote green procurement • Requests made and support provided to 100% of 1st tier suppliers that have 2nd tier suppliers • Surveys performed on 100% of applicable suppliers • Survey response rate: 100% | |
| | Promoting reductions in environmental and safety risk | ● Promote hazard prediction (HP) activities | ● Implemented HP activities during maintenance work (all plants) | |
| | | ● Reduce environmental and safety risk | ● Implemented inspections based on annual comprehensive safety inspection plans | |
| | Initiatives to protect the local environment | ● Conduct environmental volunteering cosponsored by labor union and management through the adopt-a-forest program in Iizuna Town | ● Conducted tree planting, etc. at an adopt-a-forest program in Iizuna Town (June and October) | |
| | | ● Conduct environmental beautification activities at all plants | ● Conducted beautification activities at all plants (June, September, and October) | |
| | Coexistence and dialogue with local communities | ● Engage with members of local communities through participation in local events and contribute to community revitalization | ● Gave support to various local events, participated in summer festivals, and held dialogues with local governments | |
| | | ● Engage with local communities through plant tours | ● Provided plant tours for neighborhood residents and students | |
| Profit and Growth Shareholders and Investors | Enhancing corporate value through stronger governance | ● Promote initiatives that encourage adherence to the principles of the Corporate Governance Code; respond to code revisions | ● Adherence to the principles of the Corporate Governance Code: Expanded initiatives, examined and disclosed responses to code revisions | |
| | Enriching dialogues with shareholders and investors | ● Examine and implement measures to facilitate constructive dialogues with shareholders and investors | ● Participated in IR forums; visited institutional investors to conduct one-on-one meetings | |
| | | ● Improve dissemination of information to shareholders and investors | ● Enriched information on our IR website; complied with disclosure rules, etc. | |

| Shinko Way Corporate Values | Theme | FY2018 target | FY2018 results | SDGs |
|---|---|--|--|---|
| Profit and Growth Shareholders and Investors | Risk management | <ul style="list-style-type: none"> ● Understand important risks, and consider and review countermeasures, beforehand | <ul style="list-style-type: none"> ● Conducted potential risk survey and management review | |
| | | <ul style="list-style-type: none"> ● Establish emergency response systems, and ensure safety through continuous education and training for employees | <ul style="list-style-type: none"> ● Conducted firefighting drill, emergency drill, and simultaneous self-defense firefighting and evacuation drill across the Company and other training | |
| | | <ul style="list-style-type: none"> ● Bolster countermeasures for safety of buildings and equipment | <ul style="list-style-type: none"> ● Reinforced buildings' earthquake resistance, and prevented production equipment from falling over | |
| | | <ul style="list-style-type: none"> ● Raise employees' risk awareness, firmly establish business continuity management (BCM) | <ul style="list-style-type: none"> ● Conducted company-wide BCM education and rank-specific education | |
| Global Perspective | Provide opportunities and active support for skills development | <ul style="list-style-type: none"> ● Expand training programs for developing globally aware human resources | <ul style="list-style-type: none"> ● Expanded in-house foreign language classes, sent employees to optional external training programs, and increased in-house TOEIC exams |   |
| | Strengthen overseas compliance system | <ul style="list-style-type: none"> ● Reinforce compliance in line with the Global Compliance Program (GCP) ● Understand compliance risks and implement countermeasures to reduce risks | <ul style="list-style-type: none"> ● Conducted group trainings for relevant staff and provided compliance related e-Learning at each site ● Identified risk through hearings at sites, and implemented countermeasures and follow-up activities | |
| Employees | Creating a vibrant corporate culture that takes into account work-life balance | <ul style="list-style-type: none"> ● Strengthen initiatives on Transforming Work Styles | <ul style="list-style-type: none"> ● Promoted activities by reducing long working hours, encouraging the taking days off, and relaxing requirements for various programs |    |
| | | <ul style="list-style-type: none"> ● Supporting career development and improvement of working environments to encourage the active participation of women | <ul style="list-style-type: none"> ● Enhanced the content of rank-specific training, raised awareness through manager training, and conducted seminars to support career development | |
| | Providing opportunities and active support for skills development | <ul style="list-style-type: none"> ● Enhance training to develop human resources that will lead in the future | <ul style="list-style-type: none"> ● Sent more employees to optional external training programs, and expanded rank-specific training that including the use of outside instructors | |
| | Promoting health, safety, and fire and disaster prevention activities, achieving a safe, comfortable, and accident-free workplace | <ul style="list-style-type: none"> ● Promote health, safety, and fire and disaster prevention activities that adhere to relevant health, safety, and fire and disaster prevention laws, regulations, and requirements | <ul style="list-style-type: none"> ● Promoted activities based on management manuals, conducted awareness-building and training on the handling of chemicals, and conducted employee education and inspections related to dangerous or hazardous work | |
| | | <ul style="list-style-type: none"> ● Raise every employee's safety awareness, and promote and reinforce the 5S* program | <ul style="list-style-type: none"> ● Conducted safety education programs throughout the Company (on site inspections and e-Learning) as well as periodic patrols and inspections, traffic safety awareness raising campaigns, education, and guidance, etc. | |
| | | <ul style="list-style-type: none"> ● Promote continuing risk reduction activities by identifying and evaluating dangers and causes of harm | <ul style="list-style-type: none"> ● Carried out risk assessments (safety week, chemical substances, before major holidays), identified and mitigated risks, and took measures to prevent similar accidents | |
| | | <ul style="list-style-type: none"> ● Reduce employee fatigue and stress, and promote prevention of lifestyle diseases | <ul style="list-style-type: none"> ● Provided specific health guidance and feedback on stress checks, conducted workplace improvement skill development training, and reduced long amounts of overtime, etc. | |

* 5S program: Sort, Set in order, Shine, Standardize, Sustain

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|-----------------------------|---|--|---|--|
| Customers | Thoroughly grounding our activities in the customer's point of view and strengthening relationships of trust with customers | <ul style="list-style-type: none"> ● Increase compliance awareness through education and training for relevant departments on the security trade control system | <ul style="list-style-type: none"> ● Conducted training for relevant departments and rank-specific training on the security trade control system | |
| | | | | |
| Business Partners | Promoting CSR throughout the supply chain | <ul style="list-style-type: none"> ● Make sure suppliers are aware of the procurement policy | <ul style="list-style-type: none"> ● Made sure all suppliers in and outside Japan were aware |    |
| | | <ul style="list-style-type: none"> ● Give CSR questionnaires to main suppliers | <ul style="list-style-type: none"> ● Gave CSR questionnaires and feedback to main suppliers (implementation rate: 100%) | |
| | | <ul style="list-style-type: none"> ● Confirm CSR compliance of subcontractors working on company premises | <ul style="list-style-type: none"> ● Checked the situation on premises using the CSR questionnaire (twice yearly, implementation rate: 100%) | |
| | | <ul style="list-style-type: none"> ● Develop mechanism to ensure new suppliers are aware of the procurement policy and evaluate their compliance | <ul style="list-style-type: none"> ● Not addressed, so carried over to activities for the next fiscal year | |
| | Promoting conflict minerals surveys and due diligence | <ul style="list-style-type: none"> ● Promote upstream surveys of raw materials using the RMI^{*1} template and conduct due diligence | <ul style="list-style-type: none"> ● Implemented a questionnaire survey using the RMI template, conducted interviews and risk assessment based on the survey results, and made procurement improvement requests (100% procurement from CFS^{*2}) | |
| | Promoting BCP ^{*3} surveys of purchased products and formulating a BCP | <ul style="list-style-type: none"> ● Reduce risk through BCP questionnaire surveys and formulation of BCP | <ul style="list-style-type: none"> ● Conducted BCP questionnaire surveys, interviews based on survey results and risk assessments, made improvement requests | |









*1 RMI: Responsible Minerals Initiative

*2 CFS: Conflict-Free Smelter

*3 BCP: Business Continuity Plan

Our Targets for FY2019

| Shinko Way Corporate Values | Theme | FY2019 target | SDGs |
|---|--|---|---|
| Society and Environment | Promoting activities to lower our environmental impact | ● Reductions in CO ₂ emissions Hold below 154,924 t-CO ₂ | 6 CLEAN WATER AND SANITATION |
| | | ● Reductions in generation of waste Hold below 4,676 tons | 8 DECENT WORK AND ECONOMIC GROWTH |
| | | ● Reductions in usage of water resources Implement measures to reduce water usage by 0.5% of amount used in base year | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION |
| | | ● Green procurement (reductions in CO ₂ emissions and maintenance of water resources) · Perform environmental surveys on 100% of applicable suppliers · Survey response rate: over 90% · Make requests and provide support to 100% of 1st tier suppliers that have 2nd tier suppliers | 13 CLIMATE ACTION |
| | Promoting reductions in environmental and safety risk | ● Promote hazard prediction (HP) activities | 14 LIFE BELOW WATER |
| | | ● Reduce environmental and safety risk | 15 LIFE ON LAND |
| | Initiatives to protect the local environment | ● Conduct environmental volunteering cosponsored by labor union and management through an adopt-a-forest program in Iizuna Town | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS |
| | | ● Conduct environmental beautification activities at all plants | |
| | Coexistence and dialogue with local communities | ● Engage with members of local communities through participation in local events and contribute to community revitalization | |
| | | ● Engage with local communities through plant tours | |
| Profit and Growth Shareholders and Investors | Strengthen corporate governance | ● Promote initiatives that encourage adherence to the principles of the Corporate Governance Code; disclose information | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS |
| | Enriching dialogues with shareholders and investors | ● Promote constructive dialogues with shareholders and investors and enhance dissemination information. | |
| | Strengthen compliance | ● Strengthen protection of personal information | |
| | | ● Implement countermeasures to reduce compliance risks | |
| | Risk management | ● Conduct risk management | |
| | | ● Reinforce disaster prevention systems across the whole company | |
| | | ● Business continuity initiatives | |
| | | ● Strengthen information management | |

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| Global Perspective | Providing opportunities and active support for skills development | <ul style="list-style-type: none"> Expand training programs for developing globally aware human resources |  |
| | Strengthening overseas compliance system | <ul style="list-style-type: none"> Reinforce compliance and understanding of compliance risks in line with the Global Compliance Program (GCP) and implement countermeasures |  |
| Employees | Creating a vibrant corporate culture that takes into account work-life balance | <ul style="list-style-type: none"> Strengthen initiatives on Transforming Work Styles Support career development and improvement of working environments to encourage the active participation of women |  |
| | Providing opportunities and active support for skills development | <ul style="list-style-type: none"> Enhance training to develop human resources that will lead in the future |  |
| | Promoting health, safety, and fire and disaster prevention activities, achieving a safe, comfortable, and accident-free workplace | <ul style="list-style-type: none"> Conduct health, safety, and fire and disaster prevention activities in accordance with the laws and regulations |  |
| | | <ul style="list-style-type: none"> Raise employees' safety awareness, and promote and reinforce the 5S^{*1} program | |
| | | <ul style="list-style-type: none"> Conduct continual risk reduction activities | |
| | | <ul style="list-style-type: none"> Reduce employee fatigue and stress and promote prevention of lifestyle diseases | |
| Customers | Thoroughly grounding our activities in the customer's point of view and strengthening relationships of trust with customers | <ul style="list-style-type: none"> Increase compliance awareness through education and training for relevant departments on the security trade control system | |
| Business Partners | Promoting CSR throughout the supply chain | <ul style="list-style-type: none"> Make sure suppliers are aware of the procurement policy |  |
| | | <ul style="list-style-type: none"> Give CSR questionnaires to main suppliers | |
| | | <ul style="list-style-type: none"> Confirm CSR compliance of subcontractors working on company premises | |
| | | <ul style="list-style-type: none"> Develop mechanism to ensure new suppliers are aware of the procurement policy and evaluate their compliance | |
| | Promoting conflict minerals surveys and due diligence | <ul style="list-style-type: none"> Promote upstream surveys of raw materials using the RMI^{*2} template and conduct due diligence |  |
| | Promoting BCP ^{*3} surveys of purchased products and formulating BCP | <ul style="list-style-type: none"> Reduce risk through BCP questionnaire surveys and formulation of BCP |  |

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