

Stakeholder Engagement

To establish win-win relationship with all stakeholders

TOK will achieve long-term sustainable value creation by generating new solutions and breakthroughs through collaboration with stakeholders in response to increasingly complicated social issues and technological requirements.

TOK aims to establish win-win relationships with all stakeholders as mentioned below.

Our Stakeholders



TOK will contribute to the resolution of unexpected risks and new social issues that will continue to emerge by creating shared value through close communication with stakeholders in Japan and overseas.



Customers

- Shared value**
 - Inspiring customers with high value-added products (satisfactory features, low cost and superior quality)
 - Relationship of trust that enables continued value creation in the cutting-edge fields
 - Production structure that guarantees stable supply to society
- Policies and basic initiatives**
 - Devised company-wide strategies for the TOK Medium-Term Plan 2021 Focusing on (1) and (2) (see page 39)
 - Aiming to provide new added value that inspires customers as the overarching aspiration under TOK Vision 2030
 - Customer-oriented strategies (The trinity of sales, R&D, and manufacturing) to be further deepened and advanced
 - Risk distribution by having production sites in five regions across the world
- Communication channels**
 - Customer-oriented sites established in Japan, the United States, South Korea, and Taiwan, and face-to-face meetings at customer sites (partially replaced with online meetings)
- Specific examples and latest achievements**
 - Have received supplier awards from many customers



Intel Corporation Preferred Quality Supplier Award (2021)

Shareholders/investors

- Shared value**
 - Long-term sustainable growth and corporate value enhancement
 - Increased capital efficiency
 - Strengthened engagement through constructive dialog
- Policies and basic initiatives**
 - Communicating with enhanced transparency of business management through timely and fair disclosure of information on finance and business activities
 - Director, Executive Officer, and Department Manager of General Affairs Department undertakes management and oversight as IR Officer.
 - Records of opinions and requests received through dialogs are collected and regularly reported to all directors for information sharing.
 - In accordance with the Disclosure Policy, TOK endeavors to provide consistent information and ensure fair, timely, and appropriate disclosure.
 - TOK has also established rules for the management of insider information and strives to ensure stringent observance.
- Communication channels**
 - Business results meetings for institutional analysts/investors (2 sessions*)
 - Individual meetings with institutional analysts/investors (281 sessions*)
 - Financial results briefings for individual investors (4 sessions*)
 - The integrated reports, business reports to shareholders and the notice of the convocation of the ordinary general meeting of shareholders are published on our website.
- Specific examples and latest achievements**
 - Individual meetings with institutional analysts/investors containing ESG topics (22 sessions*)



Business results meeting was held online (FY 2020/12)

* Achievements in FY 2020/12

Employees

- Shared value**
 - Frank, open-minded business culture as one of the management principles
 - Personnel system and measures that respect the values of each individual
 - Establishing an environment that enables longer working life (e.g. enhancement of re-employment system)
- Policies and basic initiatives**
 - The philosophy of the TOK Group Policy on Utilizing Human Resources is incorporated into respective human resource measures
 - Focusing on the company-wide strategy (3) under TOK Medium-Term Plan 2021 (see page 39)
 - Focusing on enabling all employees to work lively with pride as an overarching aspiration under TOK Vision 2030; Also featuring the utilizing global personnel as one of the Seven Management Strategies under the Vision
- Communication channels**
 - Employee engagement survey
 - Dialog sessions between young employees and the President
 - Group newsletters issued in multiple languages (Japanese, English, Korean, and Chinese)
 - Whistleblowing system to identify and improve or prevent compliance risks at an early stage (reports received: three times*)
- Specific examples and latest achievements**
 - Strengthened communication to foster unity on a global basis (by issuing the group newsletters and the president's video message on TOK Vision 2030 in multiple languages, etc.)
 - Implemented CSR training for employees, as well as all directors, audit & supervisory board members, and officers: 185 participants*



Group newsletters that facilitates mutual understanding among group human resources

* Achievements in FY 2020/12

Suppliers/startups

- Shared value**
 - Solid partnership to create high added value
 - Supply chain that guarantees a stable supply to society while respecting the environment and human rights
 - Open innovation through corporate venturing
- Policies and basic initiatives**
 - Chemical substance regulations, customer requirement standards, and TOK procurement policy are shared through the TOK Group Standards on Chemical Substances Management
 - Business transactions with impartiality, fairness, and transparency based on the CSR Policy, while respecting human rights, society and the global environment
 - Management of supplier information in accordance with the TOK Group Information Management Policy
- Communication channels**
 - Inspection and verification of manufacturing systems through periodic audits (on-site and online)
 - Joint research and development in the new R&D building
- Specific examples and latest achievements**
 - Started open innovation in the new R&D building



The new R&D building started operation as a site for open innovation

Academics and research institutions

- Shared value**
 - Initiatives toward technological breakthrough through industry-academia collaboration
 - Enhancing and streamlining basic research through industry-academia collaboration
 - Expediting R&D process through collaboration with international research institutions
- Policies and basic initiatives**
 - Accumulating technological seeds that will lead to future blue oceans and new concepts
 - Acquiring a broad range of technological seeds through open innovation in order to input internal resources in a full scale as soon as a market takes off
- Communication channels**
 - Sending TOK human resources to universities and research institutions in Japan and overseas
 - Joint research and development
 - Providing grants through the Tokyo Ohka Foundation for The Promotion of Science and Technology
- Specific examples and latest achievements**
 - Established a joint laboratory with Yokohama City University (July 2019)
 - Provided grants through the Tokyo Ohka Foundation for the Promotion of Science and Technology in 2020: 99 projects, 40.45 million yen



Established a joint laboratory with Yokohama City University aiming at the establishment of the next-generation high-purity processing technology (July 2019)

National/local governments and local communities

- Shared value**
 - Sustainable development of society
 - Response to global risks including infectious diseases, climate change, and geopolitical risks
 - Response to unexpected risks that will emerge
- Policies and basic initiatives**
 - Contribute to a sustainable future through chemistry as our purpose
 - Close collaboration with national and local governments and communities to earn trust from stakeholders worldwide as an overarching aspiration under TOK Vision 2030
 - Proactively promoting social contribution activities in the areas around TOK business sites, emphasizing cooperation and collaboration with local communities and establishing a relationship of trust
- Communication channels**
 - Negotiation with competent authorities in Japan, the United States, South Korea, and Taiwan related to environmental regulations and applicable laws
 - Activities in accordance with the local policies and objectives in response to infectious disease risks and climate change risks, as well as decarbonization initiatives
 - Emphasize local communication at normal times as the basis of stable value provision to society
- Specific examples and latest achievements**
 - Dialog about the environment and society: 550 participating employees (result 2020)
 - Dialog with local communities (suspended in 2020 considering the risk of COVID-19)
 - Donation to local governments and organizations, including relief money for preventing the spread of COVID-19 infection: 112.69 million yen (result 2020)



Participated in the afforestation activities with residents of Kanagawa Prefecture through the Kanagawa Trust Midori Foundation