

FY2021 Targets

Rating
 ◎: More than 120% target met
 ○: 100%-119% target met
 △: 80%-99% of target met
 ×: Less than 79% of target met

Materiality		Goals		Scope ^{*2}	FY2021 Results	Rating
Themes	Elements					
Harmony with the global environment	Reducing environmental impact	Reduce greenhouse gas emissions	Reduce energy consumption per unit production (cut by 1% or more annually)	Domestic group ^{*3}	Target expected to be met through energy-saving effects, such as productivity improvements (target being met at approx. 97% YOY)	○ ^{*4}
		Reduce pollution	Dispose of all low-concentration PCB waste by March 31, 2025	Domestic group	•Almost on target with about 40% of low-concentration PCB waste having been disposed	○
	Maintain zero environmental claims against the Company (contamination of air, water, etc.)			•No environmental claims filed	○	
	Realizing a recycling-oriented society	Recycle waste	Recycle 80% or more of waste	Domestic group	85% of waste recycled	○
		Final disposal rate of 25% or lower		19% final disposal rate	○	
Contributing to society through our business	Technological Innovation	Emphasize research and development	Devote 80% or more of development expenditures to reducing environmental burden	TCJ	92% of development expenditures devoted to reducing environmental burden	○
			Devote 60% or more of development expenditures to reducing environmental burden	TKK	74% of development expenditures devoted to reducing environmental burden	◎
			Make 80% or more of patent applications in areas related to reducing environmental burden	TCJ	92% of patent applications filed in areas related to reducing environmental burden	○
			Make 60% or more of patent applications in areas related to reducing environmental burden	TKK	75% of patent applications filed in areas related to reducing environmental burden	◎
	Supplying safe and secured products	Further elevate quality	Reduce electrode consumption rate ^{*1} (3% reduction from 2019)	TCJ	Of target users to whom quality-improved products were shipped, 67% achieved a reduction of 3% or more. Although the reduction level remains the same for the remaining 33%, the target has been met in the overall evaluation.	○
	Supply chain management	Raise supplier awareness of CSR	Ensure that 100% of key suppliers are aware of our procurement policy on a consolidated basis	Consolidated	Report on analysis results of survey conducted on six key domestic suppliers in 2020 has been issued. In addition, five key suppliers at overseas bases have been selected.	○
		Reduce CSR risks at suppliers	Conduct a CSR survey among key suppliers on a consolidated basis	Consolidated		○
	Respect for human rights	Raise employee awareness of human rights	Provide harassment training based on results of the harassment awareness survey	TCJ	Harassment training conducted (attendance rate: 94%)	○
			Provide due diligence training on human rights	Domestic group	Training on global human rights policy and human rights due diligence has been conducted. Post-training questionnaire indicates a certain level of understanding has been achieved. Target has been met.	○
			Improve understanding of global human rights policy	Domestic group		○
Contribution to community	Actively engage in community contribution activities		Consolidated	Total amount of donations and activity spending: approx. 21.9 million yen Community contribution activities: cleanups, forest maintenance, food donations to food banks, etc.	-	
Strengthening our management base	Strengthening Corporate Governance	Establish a consolidated governance system		Consolidated	Promotion of internal controls, North American operations holding company's functional upgrading, subsidiary management, etc., have been conducted as planned.	-
	Ensuring compliance	Maintain ethical standards, regulatory compliance	Commit no serious regulatory violations	Consolidated	No serious regulatory violations	○
			Formulate a global code of conduct (tentative name) and inform subsidiaries around the world about it	Consolidated	Formulation of global code of conduct (tentative name) targeted for 2022.	△
	Human resource development	Increase employment of women	Increase percentage of female career-track employees on a non-consolidated basis	TCJ	Ratio of female career-track employees as of the end of December 2021 on a non-consolidated basis: 10.17% (10.32% as of the end of December 2020)	△
			Percentage of new female graduates hired for career-track positions: 30% on a non-consolidated basis	TCJ	Percentage of new female graduates hired for career-track positions in FY2021: 66.7% on a non-consolidated basis	○
		Effectively implement training	Total training hours planned by head office (New-hire training / specialist training)	Domestic group	New-hire training in FY2021: 1,252 hours, specialist training: 1,674 hours	○
Promoting Occupational Safety and Health	Reduce occupational accidents	Reduce frequency rate of occupational accidents (0.98 or lower)	Domestic group	Frequency rate: 0.55	○	
		Reduce severity rate of 0.007 or lower		severity rate: 0.002	○	

*¹The rate at which a graphite electrode is used up in the steelmaking process.

*²TCJ:Tokai Carbon Japan, TKK:Tokai Konetsu Kogyo

*³Domestic group: TCJ + major domestic subsidiaries (Tokai Konetsu Kogyo, Tokai Fine Carbon, Tokai Material)

*⁴Since the period covered is from April of each year to March of the following year, the estimated achievement level is based on the status up to December.