

Corporate Profile 2019

Year Ended March 31, 2019

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Note: The figures are rounded down.
(As of October 1, 2019)

Compilation Policy

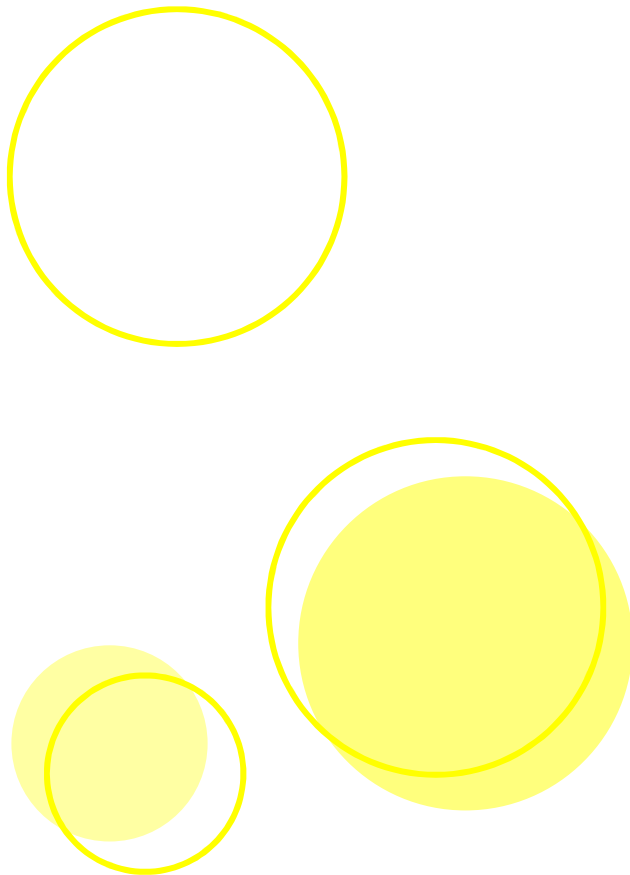
[Target Organizations] The report on our company, or the S.T. Group (consolidated), if not mentioned. The “S.T. Group” means the entire S.T. Group, the “S.T. Group (in Japan)” means S.T. (non-consolidated) and group companies in Japan, and the “S.T. (non-consolidated)” means S.T. Corporation (non-consolidated).

[Target Period] April 1, 2018 to March 31, 2019

Note: Fiscal years in this report are based on S.T. CORPORATION’s fiscal year ending March 31.

[Forward-looking Statement] This report contains forward-looking statements regarding S.T. CORPORATION’s future plans, strategies, and performance. Such forward-looking statements are based on information available as of the issuance of this report. Please note that the Company’s actual performance may differ greatly from forward-looking statements due to the economic situation, business environment, market demand, and foreign currency exchange rate fluctuations in the future.

Business



About S.T. CORPORATION

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A Manufacturer of Miscellaneous Daily Goods that Focuses on Niche Markets

《Boasting a Large Number of Unique and Robust Brands》

The Company's
flagship megabrand



《Shoshu-Riki》

Top brand in
refrigerator deodorizers



《Dashu-Tan》

Top brand insect
repellent for rice



《Kome-Touban》

A trusted major brand
that protects clothing



《Mushuda》

Dehumidifier brand



《Drypet》

▪ Grasping people's imagination when they hear about, see and use our products
《the driving force behind our product development activities》

Business Overview



Business by Categories		Composition of Net Sales	Strengths	Market Share		Salient Features	
Existing Businesses	AIR Care	44%	▪ Shoshu-Riki ▪ Dashu-Tan	▪ Shaldan	Air Fresheners 25% (2)	Refrigerator Deodorizers 81% (1)	▪ Growth Driver
	CLOTH Care	19%	▪ Mushuda ▪ Neopara		Mothproofing Agents 54% (1)		▪ Earnings Source ▪ Foundation Business
	THERMAL Care	11%	▪ Onpacks ▪ On Style		Disposable Warmers 16% (2)		▪ Winter Product ▪ Results Managed at the Point-of-sale
	HAND Care	12%	▪ Family ▪ Modelobe		Household Gloves 25% (2)		▪ Foundation Business ▪ Sold Overseas for Commercial use
	HUMIDITY Care	6%	▪ Drypet ▪ Bincho-Tan Drypet		Dehumidifiers 40% (1)		▪ Market Created by the Company
	HOME Care	8%	▪ Kome-Touban ▪ Senjo-Riki ▪ Clear Forest				▪ Division Coordinating Efforts to Nurture New Products
	Overseas	▪ The ratio of overseas sales is 8%. We strengthen global business as another driver of growth.					
Promoting Capital and Business Alliances		▪ We concluded contracts for capital and business tie-ups with FUMAKILLA LIMITED and NS FaFa Japan Co., Ltd.					
Development of New Businesses		▪ Develop the Clear Forest brand, the Aroma Sapuri brand, and the Yells brand.					

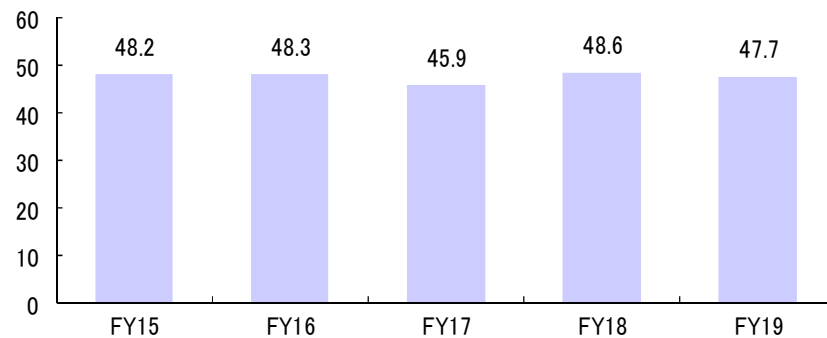
Market share data is based on INTAGE Inc.'s "SRI Category with Filter." (January to December aggregate; April to March aggregate for disposable warmers only)

Financial Highlights (1)

Net Sales

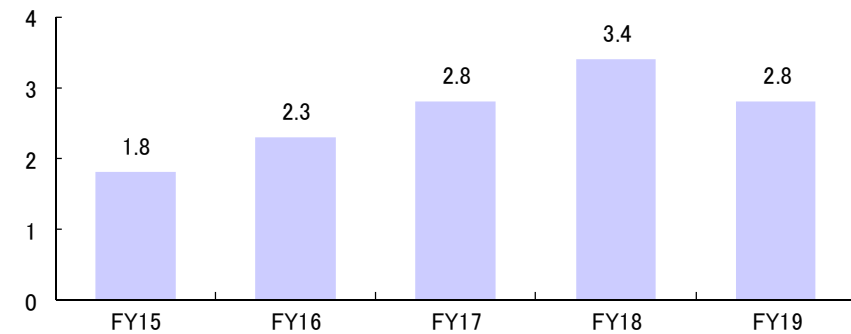
Effective from the fiscal year ended March 31, 2017, we have applied the new accounting standards.

(Billions of yen)



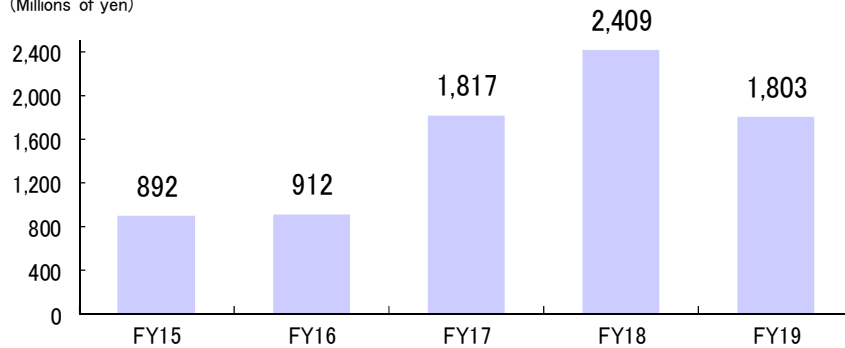
Operating Income

(Billions of yen)



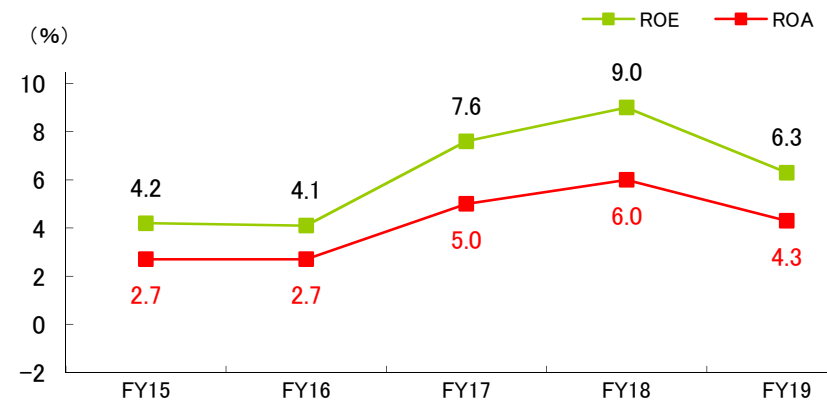
Profit Attributable to Owners of Parent

(Millions of yen)



ROE / ROA

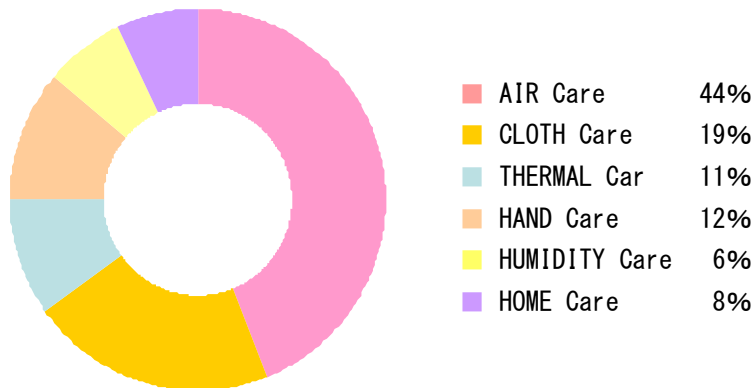
(%)



Financial Highlights (2) (Category Information)

Overview by Products

《Net Sales by Products》(FY2019)



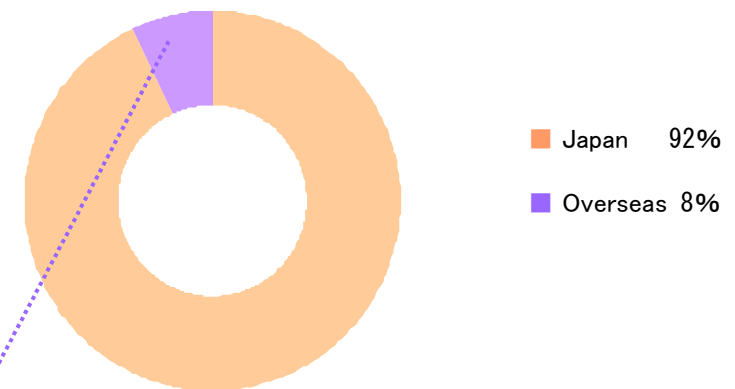
《Market Share by Categories》(2018)

Market	Market Share	Rank
Air Fresheners	25 %	2
Mothproofing Agents	54 %	1
Dehumidifiers	40 %	1
Deodorizers	81 %	1
Household Gloves	25 %	2
Disposable Warmers	16 %	2

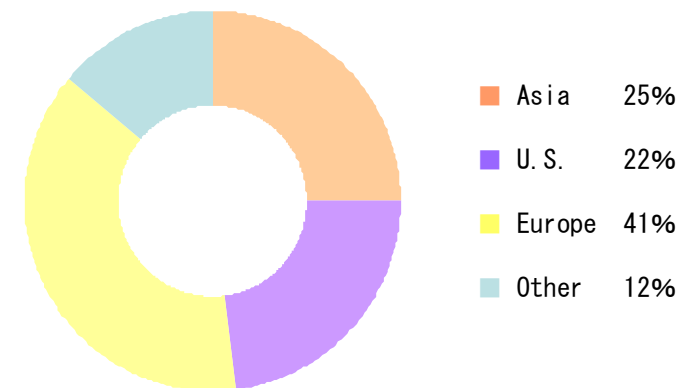
Market share data is based on INTAGE Inc.'s "SRI Category with Filter."
(January to December aggregate; April to March aggregate for disposable warmers only)

Overview by Geographic Region

《Breakdown of Sales by Region》(FY2019)



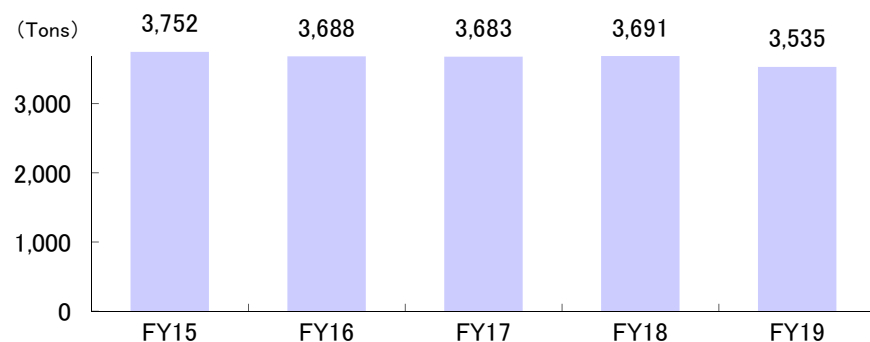
《Net Sales by Overseas Region》(FY2019 Non-Consolidated)



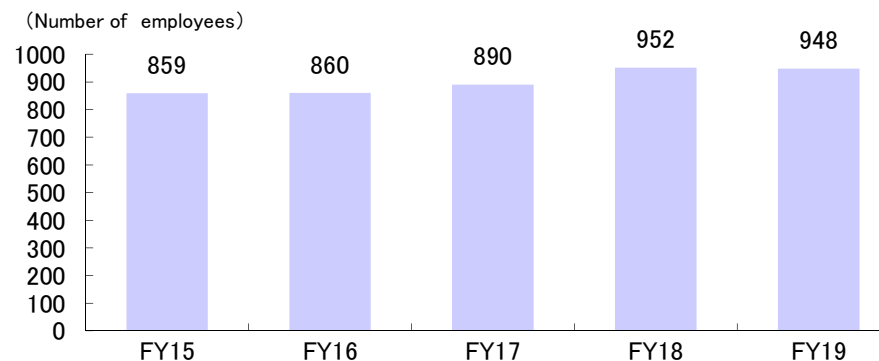
Non-Financial Highlights (ESG Information)

Environment Friendly Considerations : CO2 emissions

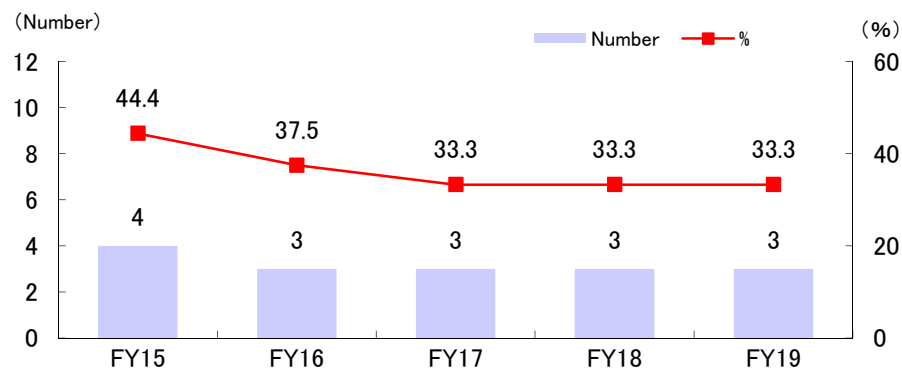
S.T. Group (in Japan)



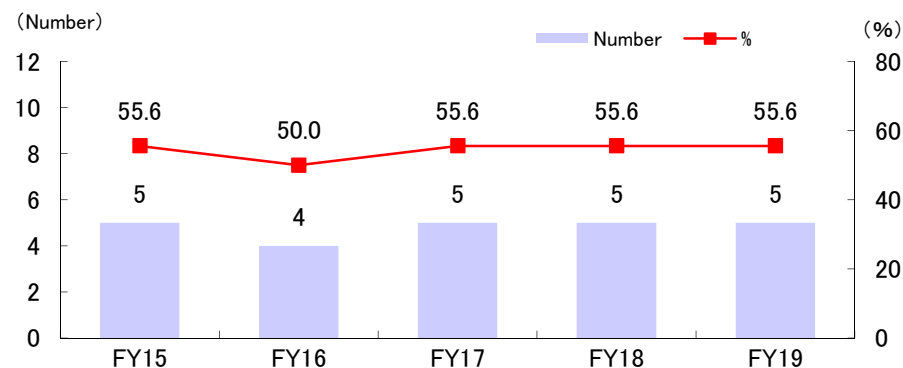
Stable Growth: Number of Employees



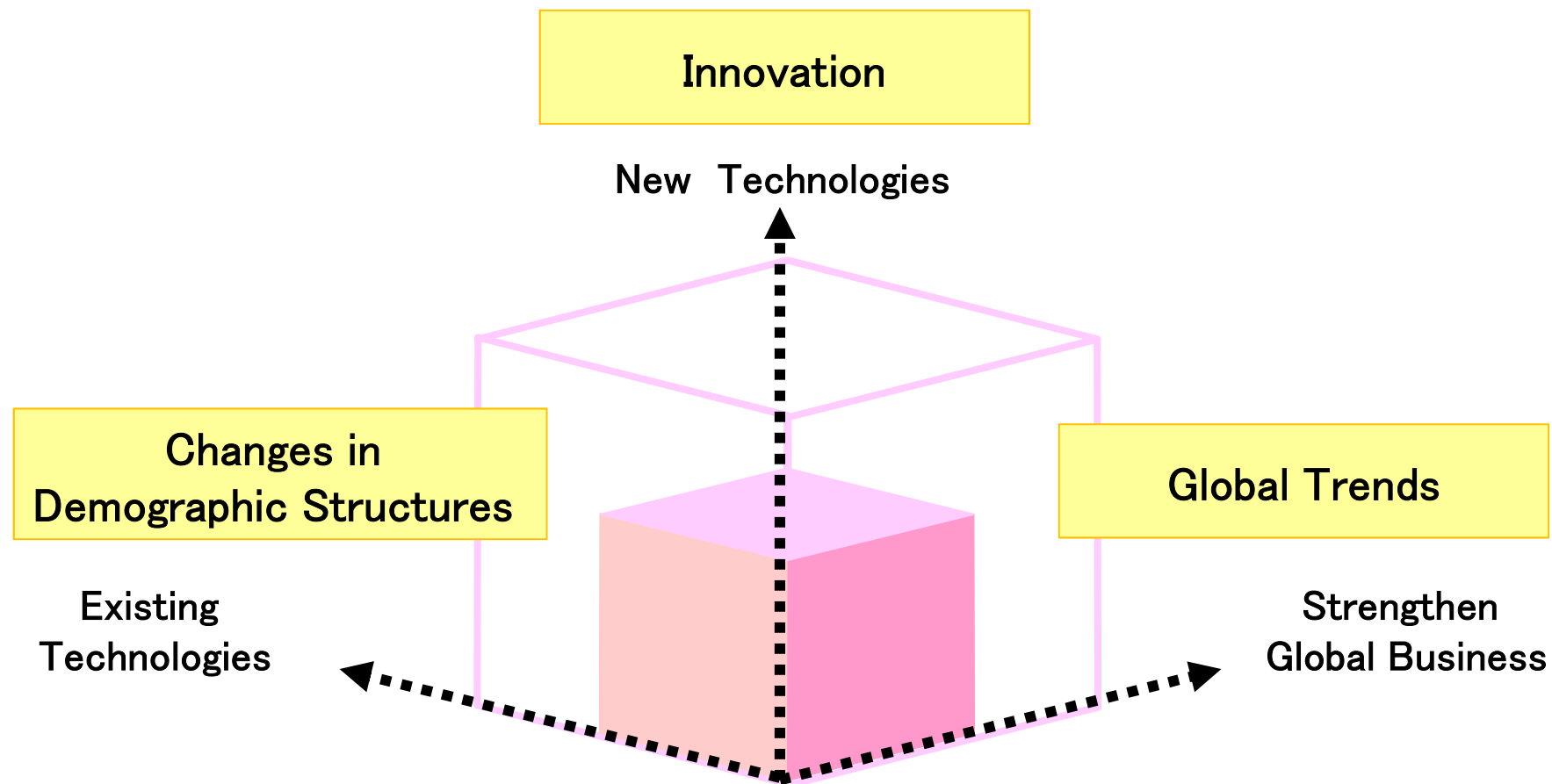
The Status of Diversity: The Number of Female Directors and the Ratio of Female Directors to Total Directors



The Status of Governance: The Number of Outside Directors and Ratio of Outside Directors to Total Directors



Development of a Robust Business Foundation that Won't Be Swayed by the Business Environment



Information by Business

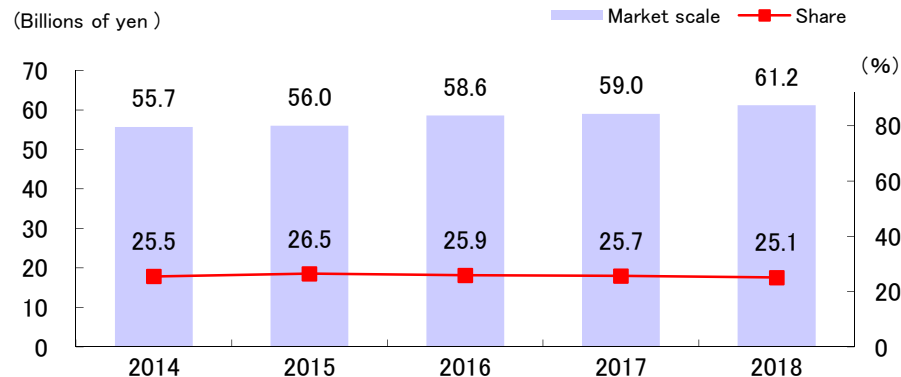
Contents

1	AIR Care (Air Fresheners and Deodorizers)	1 1
2	CLOTH Care (Mothproofing Agents)	1 2
3	THERMAL Care (Disposable Warmers)	1 3
4	HAND Care (Household Gloves)	1 4
5	HUMIDITY Care (Dehumidifiers)	1 5
6	HOME Care (Others)	1 6
7	Strengthen Global Business	1 7
8	Promoting Capital and Business Alliances	1 8
9	Promoting New Businesses	1 9

AIR Care (Air Fresheners and Deodorizers)

Trends in Market Scale and Share

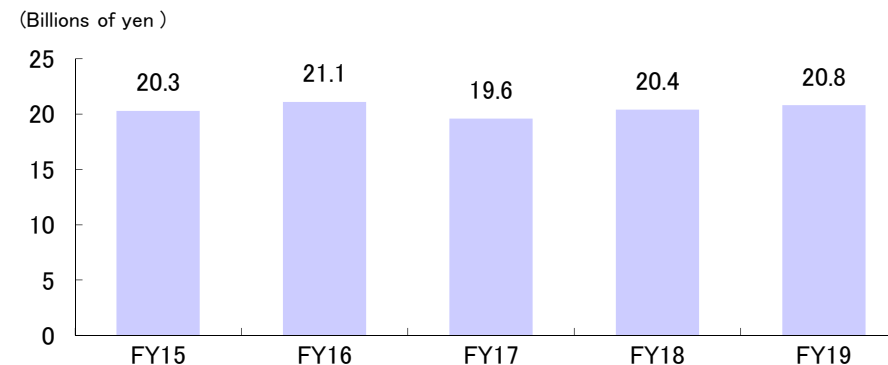
(Air fresheners include the ones for vehicles, but do not include cleaners for clothes and toilet tanks.)



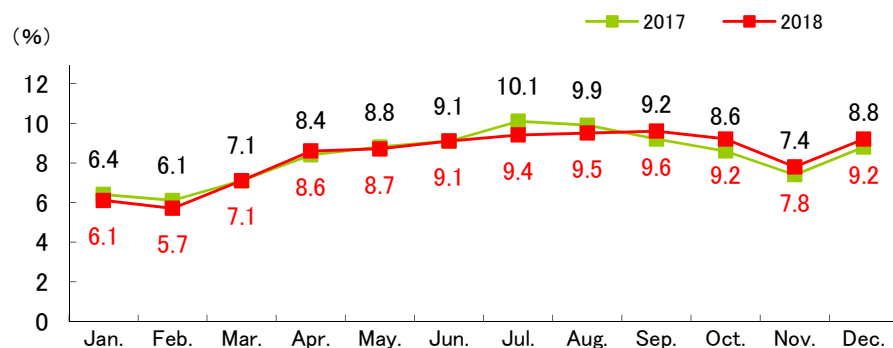
Source: INTAGE Inc.'s "SRI Category with Filter." (aggregate total for the January to December period)

Trends in Net Sales

Effective from the fiscal year ended March 31, 2017, we have applied the new accounting standards.



Seasonal Indices



Source: INTAGE Inc.

Salient Business Features and Strengths

Business bolstered by the positive effects of unique television commercials and promotional activities that continue to attract interest as topics of conversation.



Shoshu-Riki
for entrances and
living rooms



Shoshu-Riki
spray



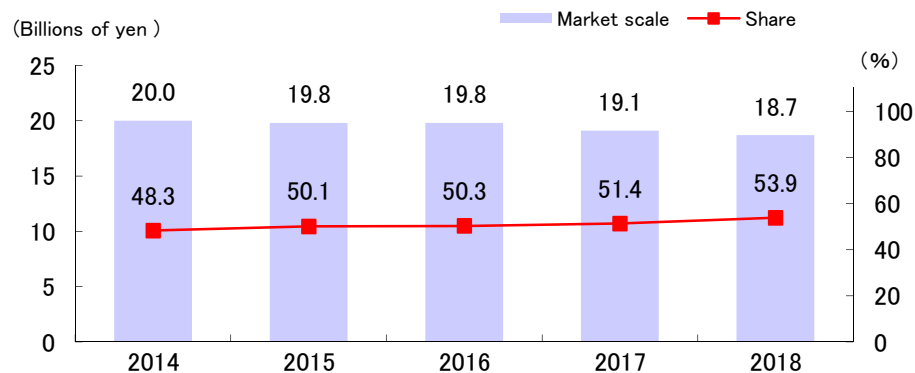
Shaldan
Suteki Plus



Dashu-Tan

CLOTH Care (Mothproofing Agents)

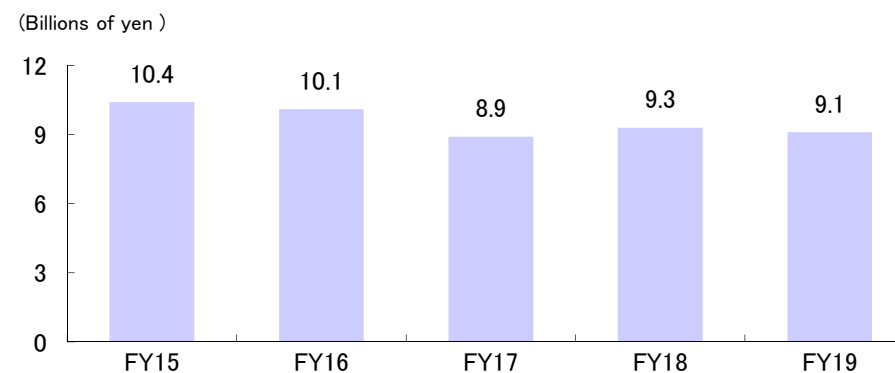
Trends in Market Scale and Share



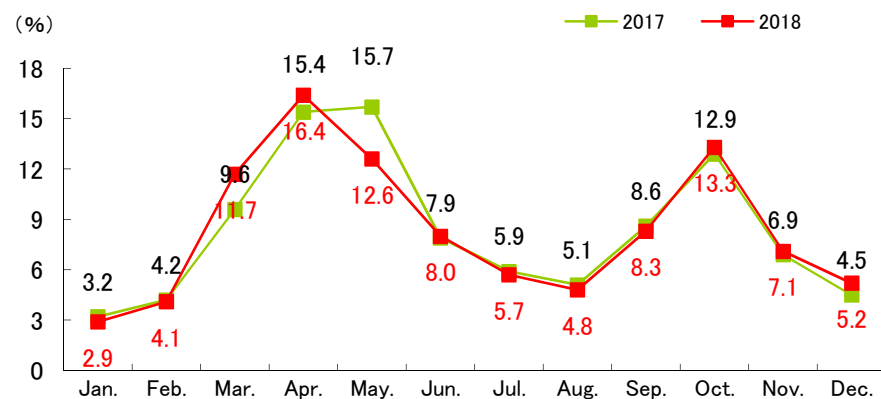
Source: INTAGE Inc. (aggregate total for the January to December period)

Trends in Net Sales

Effective from the fiscal year ended March 31, 2017, we have applied the new accounting standards.



Seasonal Indices



Source: INTAGE Inc.

Salient Business Features and Strengths

Business bolstered by the positive effects of unique television commercials and promotional activities that continue to attract interest as topics of conversation.



Mushuda
(drawer)



Mushuda
(walk-in closet)



Mushuda
(cover style)

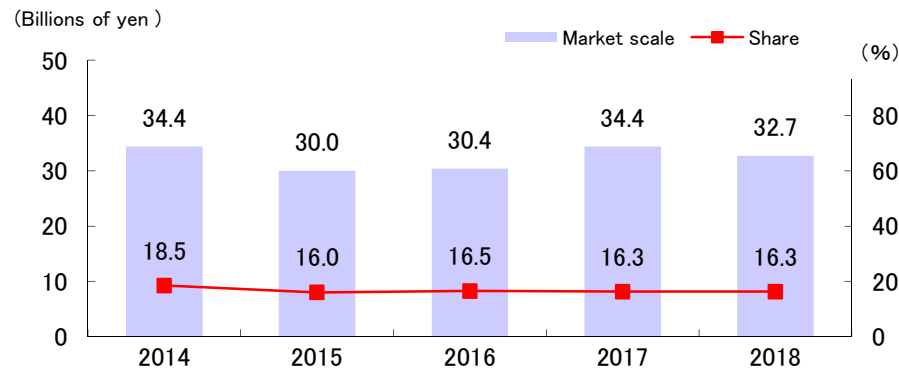


Fragrant
Mushuda

THERMAL Care (Disposable Warmers)

Trends in Market Scale and Share

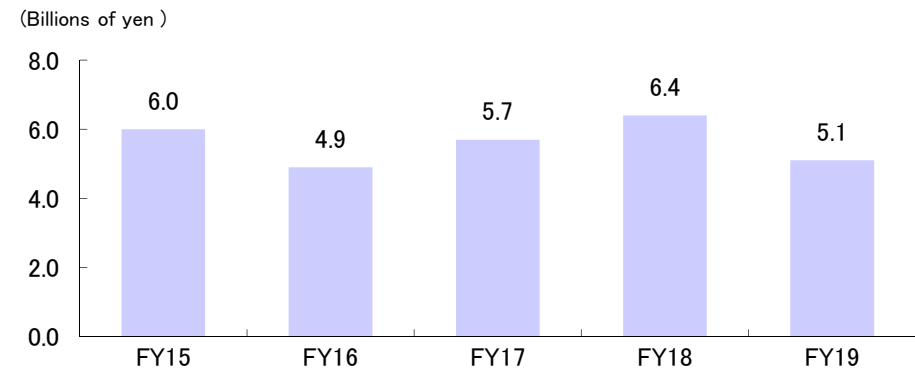
(Excluding Medical Use)



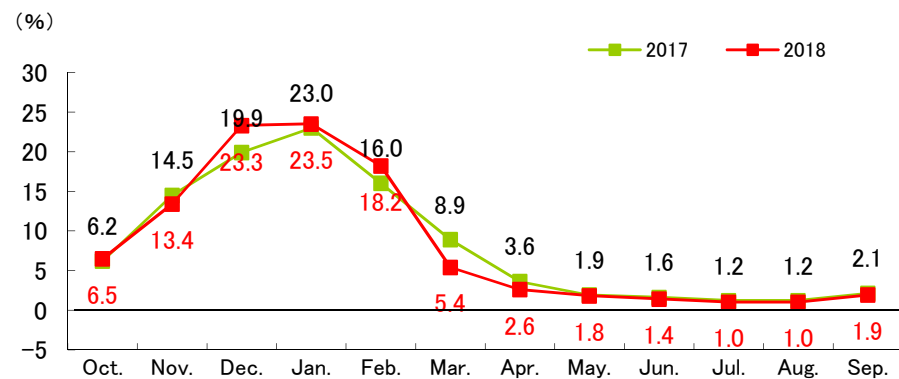
Source: INTAGE Inc.'s "SRI Category with Filter." (aggregate total for the April to March period)

Trends in Net Sales

Effective from the fiscal year ended March 31, 2017, we have applied the new accounting standards.



Seasonal Indices



Source : INTAGE Inc.

Salient Business Features and Strengths



Haru-Onpacks
(adhesive type)



Onpacks
(non-adhesive type)



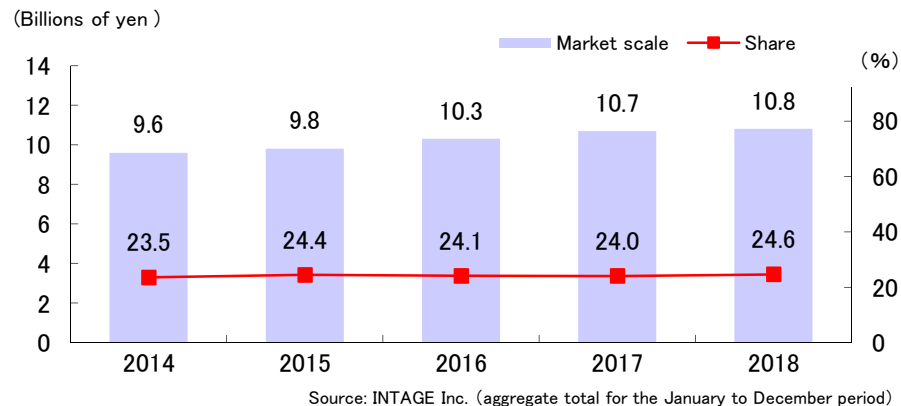
Onpacks
(adhesive type
for socks)



On Style

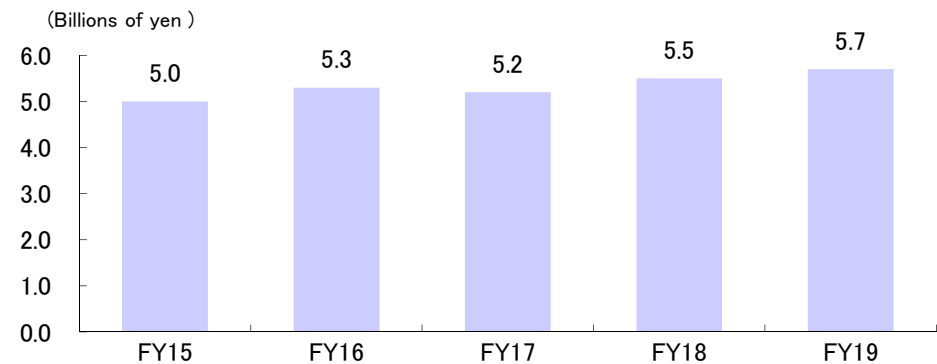
HAND Care (Household Gloves)

Trends in Household Glove Market Scale and Share

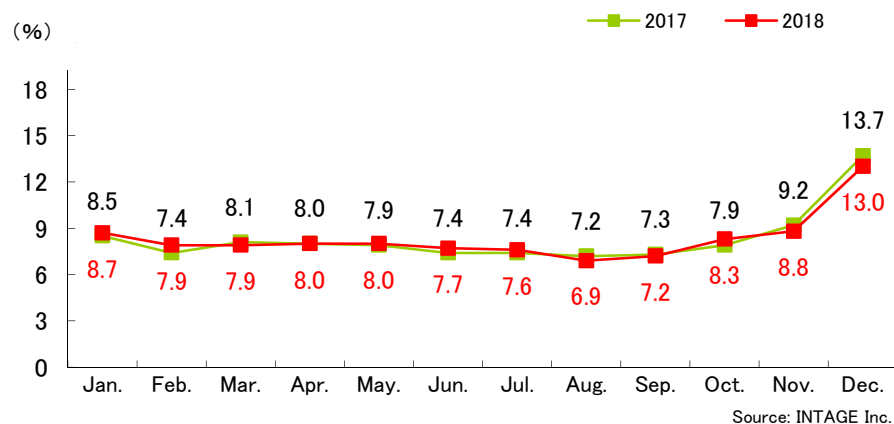


Trends in Net Sales

Effective from the fiscal year ended March 31, 2017, we have applied the new accounting standards.



Seasonal Indices

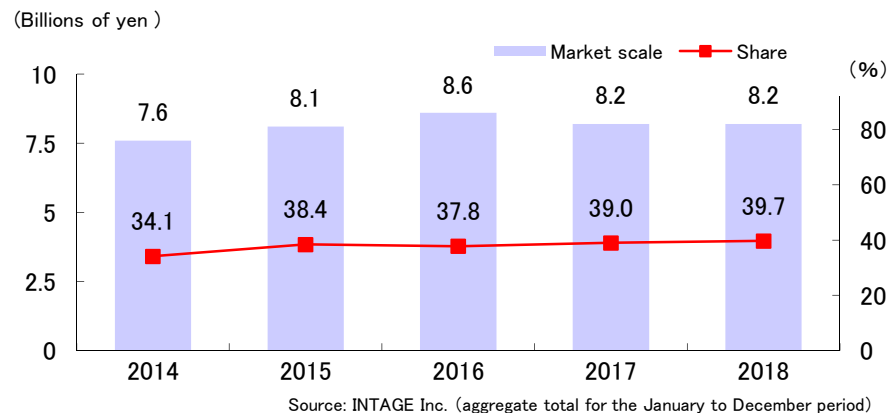


Salient Business Features and Strengths



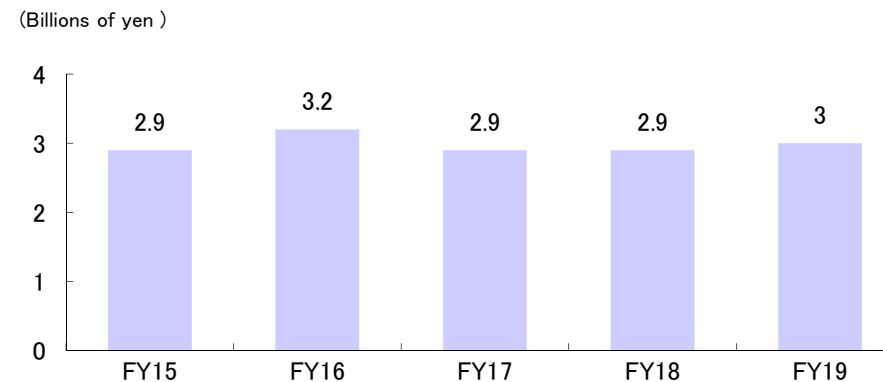
HUMIDITY Care (Dehumidifiers)

Trends in Market Scale and Share

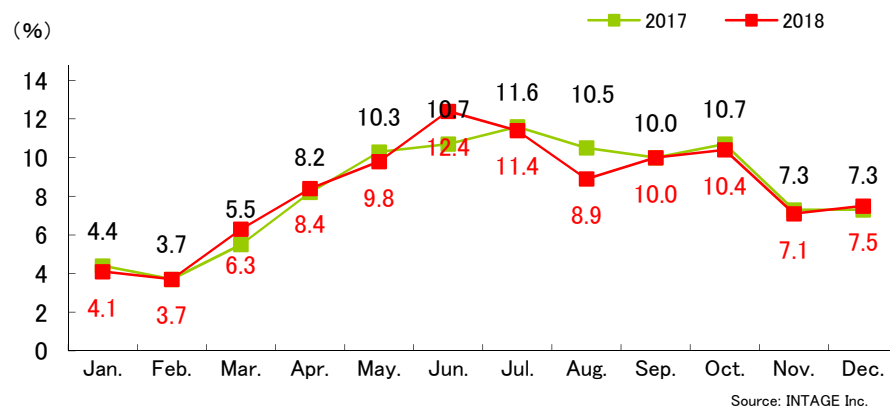


Trends in Net Sales

Effective from the fiscal year ended March 31, 2017, we have applied the new accounting standards.



Seasonal Indices

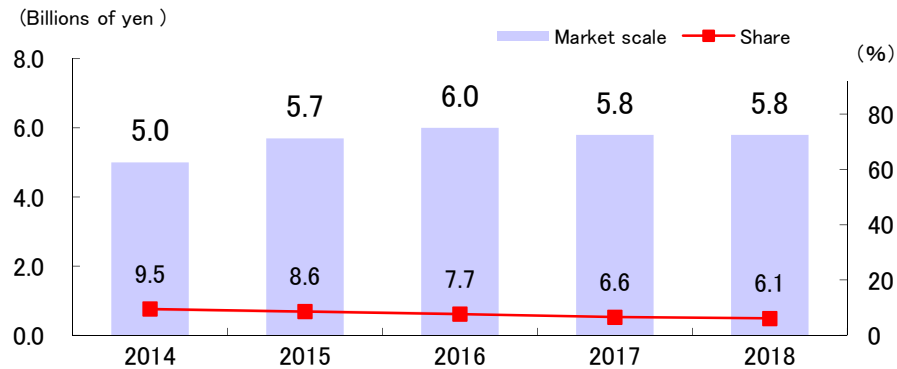


Salient Business Features and Strengths



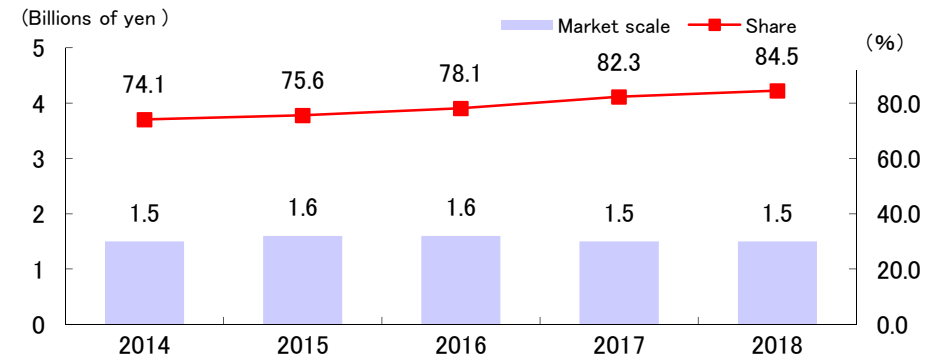
HOME Care (Others)

Trends in Washing Tub Cleaner Market Scale and Share



Source: INTAGE Inc. (aggregate total for the January to December period)

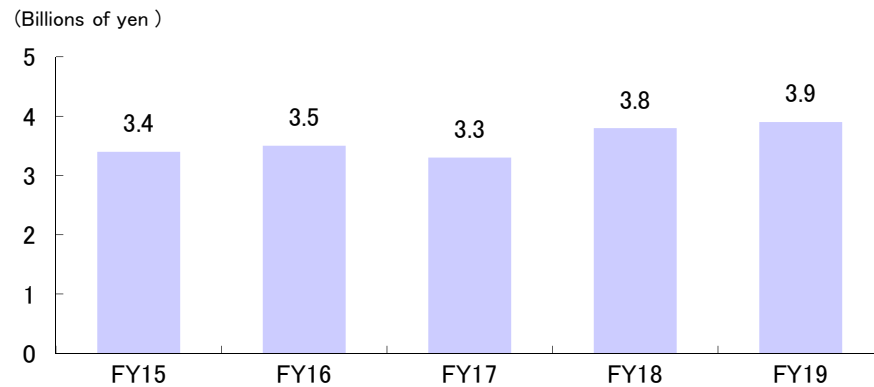
Trends in Rice Storage Insect Infestation Protection Product Market Scale and Share



Source: INTAGE Inc. (aggregate total for the January to December period)

Trends in Net Sales

Effective from the fiscal year ended March 31, 2017, we have applied the new accounting standards.



Salient Business Features and Strengths

Business bolstered by the positive effects of unique television commercials and promotional activities that continue to attract interest as topics of conversation.



Senjo-Riki
Toilet cleaner



Ohisama no
Sentaku



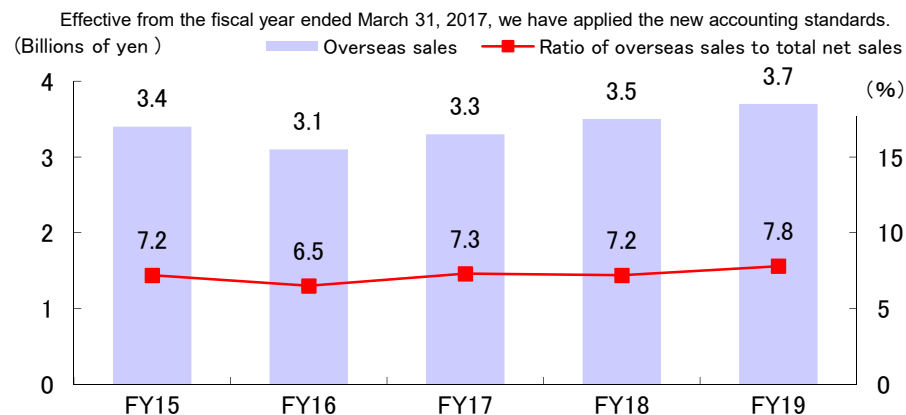
Kome-
Touban



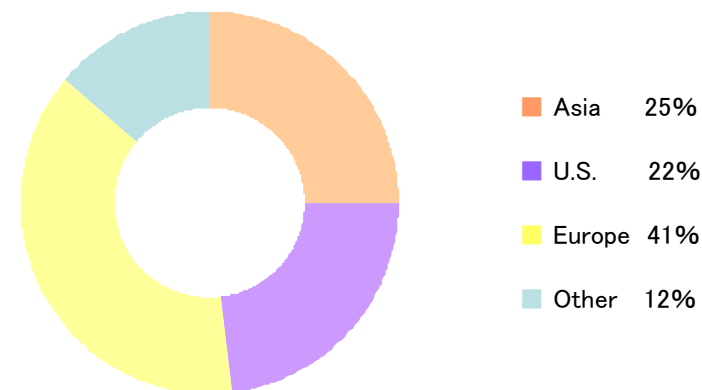
Mori Labo

Strengthen Global Business

Trends in Overseas Sales and the Ratio of Overseas Sales to Total Net Sales



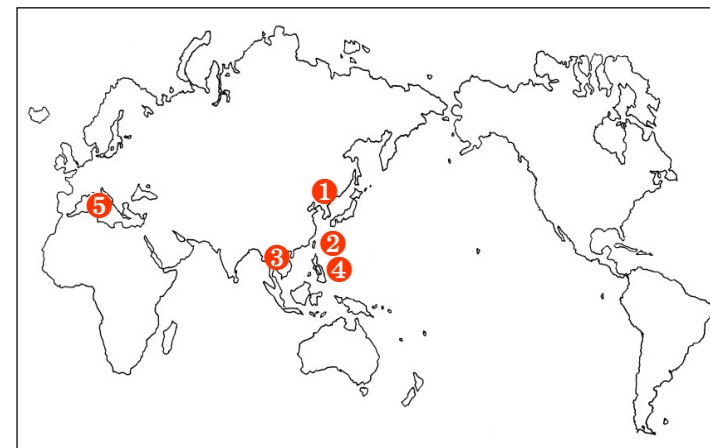
Breakdown of Sales by Overseas Region (Non-Consolidated) (FY2019)



Overseas Bases

Country	Company Name	Principal Business Activities
① South Korea	Aekyung S.T. Co., Ltd. (South Korea)	Sale of deodorizers and air fresheners/household goods
	S.T. Korea Corporation (South Korea)	Production of deodorizers and air fresheners/dehumidifiers
② Taiwan	Family Glove Co., Ltd. (Taiwan) ※1	Production and sale of gloves
③ Thailand	S.T. (Thailand) Co., Ltd. ※2	Production of deodorizers and air fresheners/gloves
	Shaldan (Thailand) Co., Ltd.	Production and sale of deodorants and homecare products
④ The Philippines	Shaldan (Philippines), Inc.	Production and sale of mothproofing agents/deodorizers and air fresheners
⑤ Italy	ZETA S.R.L. (Italy)	Production and sale of Warmers

Notes: 1. ISO14001/9001-certified plants 2. ISO9001-certified plants



Promoting Capital and Business Alliances

Taking full advantage of the complementary nature of the three companies' operating domains, efforts are being made to ensure mutual growth and development as well as increased profitability.

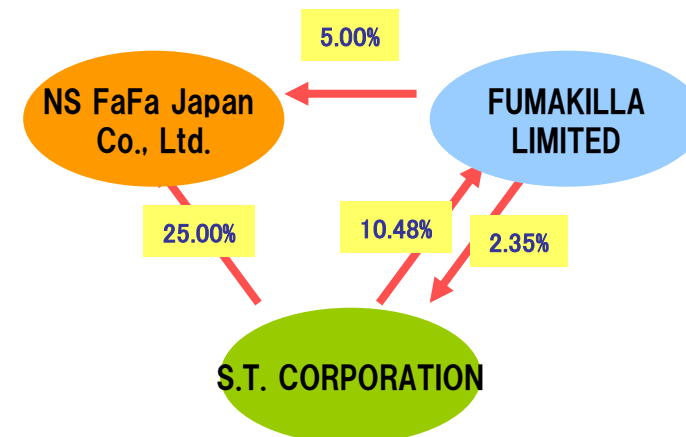
Details of the Business Alliance

Development: Joint research and development utilizing the research technologies and know-how of all three companies.

Sales and Marketing: Mutual use of each company's sales and marketing channels in Japan and overseas; sales promotional support as well as joint activities.

Procurement: Mutual use of each company's manufacturing facilities in Japan and overseas; reduction in costs through the sharing and standardization of materials across-the-board.

Logistics: Reduction in costs through the mutual use of logistics infrastructure.



Shareholding ratio (as of March 2016)

	S.T. CORPORATION	FUMAKILLA LIMITED	NS FaFa Japan Co., Ltd.
Business Details	Production and sale of deodorizers and air fresheners/mothproofing agents/gloves/dehumidifiers and related products.	Production and sale of pesticides/household products/gardening supplies and related products.	Production and sale of clothing detergents/fabric softeners/personal care products.
Strengths	<ul style="list-style-type: none"> ◎ Shoshu-Riki series ◎ Mushuda series ◎ Drypet series <ul style="list-style-type: none"> ☆ <u>Boasts numerous leading brands</u> ☆ <u>Outstanding marketing and sales capabilities</u> 	<ul style="list-style-type: none"> ◎ Vape series ◎ Barrier series of insect repellents ◎ Kadan series <ul style="list-style-type: none"> ☆ <u>Excellent research and development capabilities</u> ☆ <u>Good performance in overseas markets</u> 	<ul style="list-style-type: none"> ◎ FaFa series ◎ Workers series ◎ "Make a new habit !" series <ul style="list-style-type: none"> ☆ <u>Strong expertise in developing environmentally conscious products</u> ☆ <u>Boasts numerous annual merchandise</u>



The Four Effects of a Functional Tree Extract

- Reduce air pollution
- Promote an antioxidant function
- Eliminate odors
- Promote a forest bathing effect

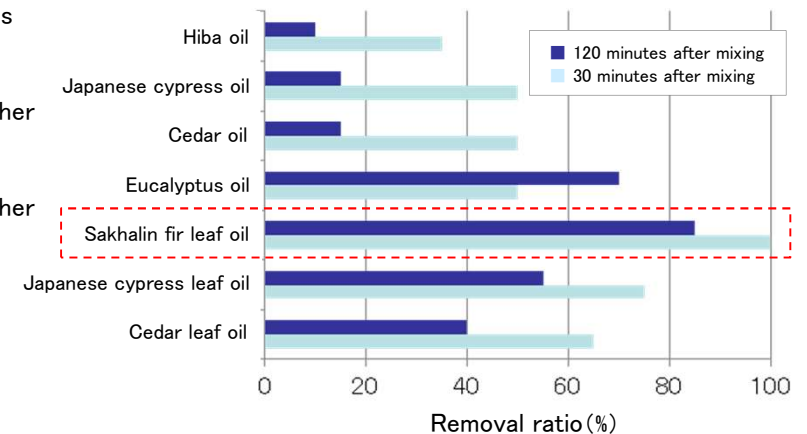
Addressing Social and Environmental Issues Through Collaboration with Research Institutes and Local Communities

The S.T. CORPORATION Group's Japan Aroma Laboratory Co., Ltd. has been working in cooperation with the Forestry and Forest Products Research Institute to research and develop functional tree extracts. This initiative also marked the start of our technology brand called the Clear Forest.






This functional tree extract helps to purify the air of car exhaust and other emissions while reducing environmental air-borne pollutants such as nitrogen dioxide (NO₂), which are recognized as a major cause of poor health including asthma. Moreover, the functional tree extract boasts other positive attributes including an antioxidant function and a forest bathing effect while facilitating the elimination of odors.

In the Clear Forest business, we aim to create a new market, cooperate with existing business sections, and so on, based on the new value of purifying such contaminated air.

Comparative Analysis of the Nitrogen Dioxide Removal Capability Using Essential Tree Oil Gas



Overview of the Clear Forest Business

Operating Processes	Collecting and Transporting Residual Materials	Crushing and Packaging	Extracting Essential Liquid and Purified Water	Quality Control	Developing Products
Operating Details	 <ul style="list-style-type: none"> • Collect foliage and trimmings (residual materials) abandoned in forestlands • Transportation 	 <ul style="list-style-type: none"> • Sort residual materials and package into bags for removal 	 <ul style="list-style-type: none"> • Extract • Manage 	 <ul style="list-style-type: none"> • Check ingredient quality • Check for controlled substances JIRA (essence) 	 <ul style="list-style-type: none"> • Develop, manufacture, and market products
Partners	HOKUTO Co., Ltd			Japan Aroma Laboratory Co., Ltd	S.T. CORPORATION
Intellectual Property	The transportation of residual forestland materials, other	Extraction equipment, other		Ingredients, other	

Systems for Overseeing and Supporting Business Administration

Contents

1	Corporate Governance (1)	2 1
2	Corporate Governance (2)	2 2
3	Risk Management and Compliance	2 3

We consider that Corporate Governance is a Systems for Overseeing Administration for Sustainable Co-growth of Enterprises and Society.

《Description of Corporate Governance》

We are aiming for the sustainable co-growth of enterprises and society. We think of corporate governance as a system that supervises our activities toward that goals. It is important to develop an environment for securing the transparency and fairness of management facilitating active decision making, and disclosing information properly. We recognize that shareholders, society and the environment entrust us with valuable managerial resources, and aim to realize the sustainable growth of society and the environment and create corporate value in the medium to long terms, in cooperation with stakeholders, and will fulfill our accountability.

《Development of Corporate Governance System》

In June 2004, in order to enhance oversight function of the Board of Directors and the quality of management and enrich management practices such as prompt decision-making and agile execution of operation, the Company was reorganized into a company with committees (currently company with three committees), which is more transparent and fair and in which outside directors account for the majority of board members. In June 2008, a female director was appointed for the first time, and in June 2019, female directors make up 33% of the board (one out of nine executive officers is also woman). In addition, we appoint Independent outside directors with a wide array of knowledge, experience and skills such as management, marketing, accounting and legal affairs, etc. (The Company was selected as "Diversity Management Selection 100 (2013)" (METI Minister Award).) Since 2015, a board evaluation has been also conducted on annual basis to improve the effectiveness of the Board.

2004: Company with Committees

2008: Appointment of Female Directors

2015: Evaluation of the Board of Directors



《Remunerations of Directors and Executive Officers》

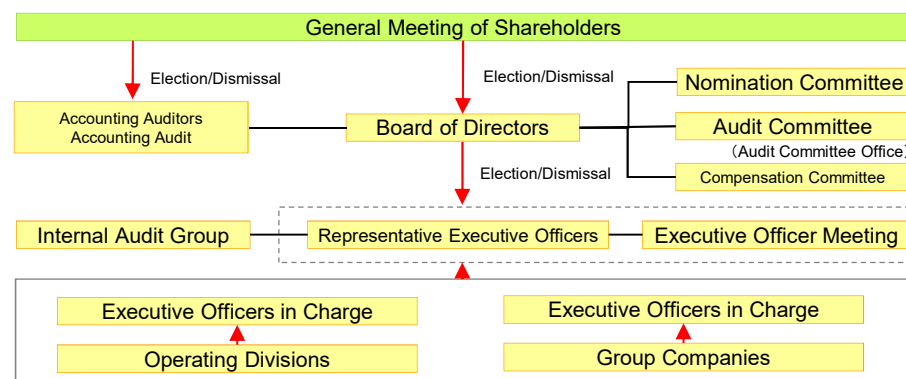
The Compensation Committee sets and determines the remuneration policy. The remuneration system was revised on April 30, 2015 at the Compensation Committee, so that executive will be able to align interests with shareholders as they seek sustainable mid-term to long-term growth of corporate value. Moving towards the goal of mutual interests with shareholders, points are given to executive officers according to business results of each term, and a share remuneration system is adopted where shares are provided upon their retirement as part of a medium to long-term incentive.

《Overview of Corporate Governance》

(Years Ended March, 31, 2019)

Governance Type	Company with three committees
Number of Board Members	9
Number of Outside Directors	5 (56%)
Number of Independent Outside Directors	4 (Notified as the independent outside directors designated by the Tokyo Stock Exchange)
Board Diversity	3 female directors (33%)
Number of Board Meetings Held per Year	8 times
Average Attendance Rate of Board Meetings	99%
Director's Term	1 year
Chairman and CEO	One person serving as both
Nomination Committee	5 members (3 outside directors; chaired by an outside director; meetings held 1 times per year)
Audit Committee	4 members (4 outside directors; chaired by an outside director; meetings held 6 times per year)
Compensation Committee	3 members (2 outside directors; chaired by an outside director; meetings held 3 times per year)

《Corporate Governance Structure》



Corporate Governance (2)

《Board Composition》

(As of June 18, 2019)

Directors	Nomination Committee	Audit Committee	Compensation Committee	Name
Chairman of the Board of Directors	○			Takashi Suzuki※
Director (Outside Director) ☆	●	○	●	Naoto Onzo
Director (Outside Director)	○			Kanichi Suzuki
Director (Outside Director) ☆	○	●		Mitsuko Miyagawa
Director (Outside Director) ☆		○		Noriyuki Watanabe
Director (Outside Director) ☆		○	○	Fuminobu Aruga
Director	○			Takako Suzuki※
Director			○	Kumiko Ishikawa
Director				Kouichi Yoshizawa※
9 directors (Five of whom are outside directors)	5 members	4 members	3 members	

● : Chairperson ○ : Committee member ※ : Holds the concurrent position of executive officer
☆ : Independent Outside Director

《Areas of Executive Officer Responsibility》

(As of October 1, 2019)

Executive Officers	Responsibilities	Name
Representative Executive officer, Chairman, CEO	Overall management	Takashi Suzuki※
Representative Executive officer, President, COO	Overall management	Takako Suzuki※
Managing Executive Officer	In charge of the R&D Division	Tsukasa Konda
Managing Executive Officer	In charge of the Business Management Division and the Corporate Communication Division	Yo Kouzuki
Executive Officer	In charge of the Executive Creative Director	Koji Kage
Executive Officer	In charge of the Management Strategy Division and the Management Control Division and responsible for Domestic Group Companies	Kouichi Yoshizawa※
Executive Officer	In charge of the E-commerce business Department	Mikio Tsuji
Executive Officer	In charge of the Overseas Group Companies Management Department	Keiichi Hayasaka
Executive Officer	In charge of the Sales Division and the Domestic Sales Department	Masaaki Shiina

※ : Holds the concurrent position of director

《Composition of Outside Directors》

(As of June 18, 2019)

	Management/Strategy	Marketing	Global Management	Sustainability	Accounting	Compliance/Risk Management	Situation of Concurrent Position
Naoto Onzo	●	●		●			June 2010: Appointed an outside director of S.T. CORPORATION; Trustee of Waseda University; Professor of Faculty of Commerce, Waseda University; Outside director of King Jim Co., Ltd.
Kanichi Suzuki		●					June 2009: Appointed an outside director of S.T. CORPORATION.
Mitsuko Miyagawa			●	●		●	June 2015: Appointed an outside director of S.T. CORPORATION; Partner of TMI Associates; Outside auditor of Panasonic Corporation.
Noriyuki Watanabe	●				●		June 2016: Appointed an outside director of S.T. CORPORATION.
Fuminobu Aruga					●		Jun. 2019: Appointed an outside director of S.T. CORPORATION; Aruga Tax Accountant Office and outside director of Cleanup Corporation. (concurrent positions)

Internal Control

For internal control, we promote system development in order to secure the adequacy of organizational business operation. In order to accomplish organizational goals effectively, efficiently, and properly, opinions inside and outside the company are constantly grasped and improvements are continuously made, while organizing rules and business processes.

Risk Management

《Risks S. T. Bears》

It is one of key focuses of the board and senior management to recognize risks, grasp the current status of each risk, and manage them properly and such management of risk is indispensable in order to conduct businesses successfully in a long period of time. The major risks S. T. faces are the effects of material prices, the influences of natural disasters and international situations on production, the uncertainty of sales due to weathers, and new businesses.

《Risk Management System》

For risk management, S. T. CORPORATION promotes the development of systems for preventing various management risks and minimizing possible damages. We established rules for risk management and organized the risk management committee which covers the entire group including all subsidiaries, in order to put in place the risk management system and set rules for how to react to events. The risk management committee reports risk management activities to the representative executive officer, the executive officer meeting, and the audit committee, and the audit group checks to ensure these systems work effectively.

《Production of a Business Continuity Plan (BCP)》

S. T. CORPORATION has produced action plans for responding to disaster, etc., and business continuity plans, including emergency drills, from the viewpoint of social responsibilities.

Compliance

《Policy for Compliance》

As for compliance, S. T. CORPORATION observes not only laws, and regulations but also internal and external rules, ethics, and social norms; fulfills social corporate responsibilities by putting its management philosophy and codes of conduct into practice; and strives to maintain and improve the trust of stakeholders.

《Compliance System》

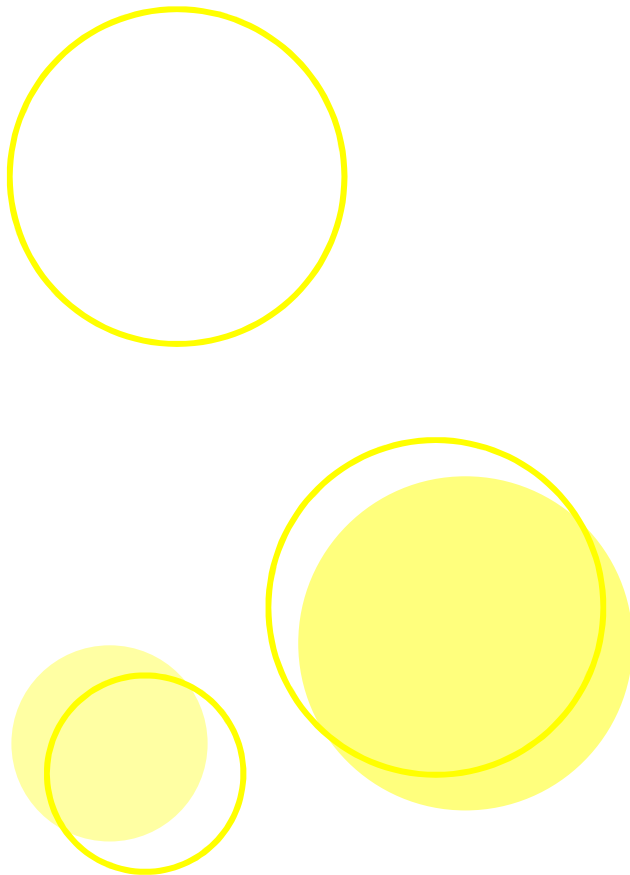
S. T. CORPORATION established the compliance committee, to report its resolutions to the representative executive officer, the board of executive officers, and related groups, and its activities to the audit committee.

《In-company Educational Activities》

We conduct the following activities for enhancing employees' awareness of compliance further:

- To enact a code of conduct and a whistle-blowing center.
- To upload the collection of compliance-related cases to the Intranet.
- To distribute an email magazine and news for education to every office of the company. (send once a month for each)
- To conduct company-wide questionnaire survey. (once a year)
- To conduct company-wide compliance test for self-checking. (twice a year)

Sustainability



Information by Sustainability

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3	Policy of Sustainability	2 8
4	Materiality	2 9
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Corporate Philosophy



Management Philosophy

1. To fulfill our mission of giving our service to society and earning society's trust, S.T. constantly works to improve its products, and to create unique products that our customers can trust absolutely.
2. To achieve the company's sustained prosperity, S.T. ensures its workplaces provide an environment where its employees can earnestly work with hope and pride.
3. Always valuing harmony and courtesy, S.T. strives to be the best company as regards winning the absolute trust of our customers, other concerned people and society at large.

Corporate Slogan

“Refreshing the Air”

We want to refresh the air in your home and your life.
We want to refresh the air in your store and your office.
We want to refresh the air all over Japan.

As a first step, we're refreshing the air around us.

With a refreshing approach to research and products.
A refreshing attitude in our marketing and sales.
And refreshingly new concepts in our advertising and publicity.

We're always offering our customers new proposals.
Proposals that help by refreshing the air.

Origin of the Company's Name



《Derivation of the Company Name》

The “ST” of S.T. Corporation derives from a formulation of the first tenet of our management philosophy: our mission of giving our **S**ervice to society and earning society's **T**rust, and of creating **S**uper **T**op products.

《The Baby Chick Logo》

Familiar to and enjoyed by many of our customers, our baby chick corporate logo symbolizes S.T. Corporation. The logo reflects our corporate stance of being healthy, refreshing, sincere, modest and always happily facing up to the next challenge.

《Innovative and Creative Products》

In 2006 S.T. took the opportunity of the 60th anniversary of its founding to adopt the new corporate slogan of “Refreshing the Air.” This slogan encapsulates our vision of refreshing the air throughout the world by providing innovative and creative products through all our business activities.

Ethical Standards

1. Responsibilities Toward Shareholders

- (1) To return appropriate amounts of profits to shareholders.
- (2) To disclose corporate information accurately and swiftly.

2. Prohibition of Insider Trading

- (1) To strictly manage information on important facts obtained through business (hereinafter called “important items”), and refrain from selling or buying shares with reference to important items.
- (2) To strictly follow the laws, in-house regulations and rules regarding the sale and purchase of treasury shares.

3. Appropriate Disclosure of Information

- (1) To conduct appropriate publicity activities, so that we can be properly evaluated.
- (2) To disclose useful information for society, to keep corporate transparency.

4. Appropriate Management of Information

- (1) To manage information obtained through corporate activities appropriately.
- (2) Not to acquire information with any improper means.

5. Clean Corporate Attitude

- (1) Not to borrow money or items, receive benefits by gifts, lend or present money or items improperly.
- (2) To take a firm attitude against antisocial forces and extortion.

6. Environmental Conservation

- (1) To consider environmental impacts at all stages of business activities, and strive to reduce environmental burdens.
- (2) To make proactive efforts to conserve the earth environment.

7. Respect for Intellectual Property

- (1) To strive to protect and utilize our own intellectual property.
- (2) To respect a third party’s rights, and refrain from using them without permission and from abusing our own rights.

8. Fair Trading

- (1) To pursue profits under free competition, and make transactions with business partners with equality, fairness, and transparency.
- (2) To observe the antitrust law and related laws.

9. Responsibilities Toward Customers and Consumers

- (1) To keep developing unique products while putting importance on the safety of products, and win the trust of consumers.
- (2) To offer easy-to-understand information regarding how to use products and precautions, so that the products will be used accurately and appropriately.

10. Egalitarianism and Merit Systems (Respect for Human Rights and Prohibition of Discrimination)

- (1) To foster a sound working environment, to eliminate discrimination by nationality or gender.

11. Respect for International Cultures and Rules

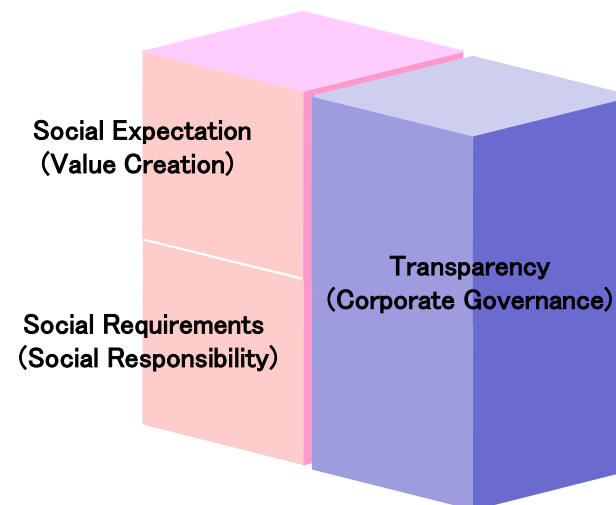
- (1) To respect the culture of each country where we conduct business activities, and observe the law of each country.
- (2) To contribute to the growth of each country where we conduct business activities.

Concept of Sustainability

We aim to achieve the sustainable, synergetic growth of our society and enterprise by meeting the expectations and requirements from stakeholders.

The sustainability of the environment and society is the base of economic activities, and enterprises cannot be sustainable without it. Considering that sustainability means “efforts to realize sustainable, synergetic growth of our society and enterprise,” we will actualize the sustainability of the environment, society, and then our company.

The environment and society can become sustainable, when they are sound and business administration is transparent. As the efforts to achieve the soundness of the environment and society, we will meet the Social Expectation (Business Activities) and the Social Requirements (Sustainability Activities). For the transparency of business administration, we conduct corporate governance.



Policy	Efforts	Major Activities
Sustainability (Efforts to achieve the sustainable, synergetic growth of our society and enterprise)	Efforts to achieve the soundness of the environment and society	Social Expectation (Value Creation)
		Social Requirements (Social Responsibility)
	Efforts to secure the transparency of business administration	Corporate Governance

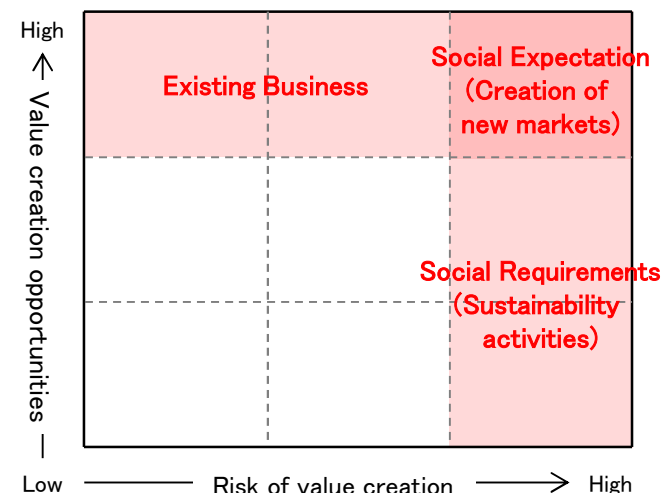
Materiality Information

Materiality with Respect to Sustainability (Synergetic growth of our society and enterprise)

The business of the S.T. Group is to create new markets by utilizing the “unique air-care technologies,” and brighten and enliven daily life with air, under the brand value-based management.

We are now seeing significant changes, including the worsening of environmental problems, the change in social structures, and globalization.

With the aim to develop a firm business base for responding to significant social changes, we aim to achieve the co-growth of our society and enterprise, by creating new markets by utilizing our “unique air-care technologies” and conducting sustainability activities for the soundness of the environment and society.



Major Activities	Details	Materiality
Social Expectation (Value Creation)	Efforts for health	Healthy life with our unique air-care technologies
	Efforts for customers	Provision of safe, reliable products to consumers
Social Requirements (Social Responsibility)	Efforts for employees	Securing and training of personnel
	Efforts for the environment	Reduction of environmental burdens

Sustainability Overview

Social Expectations (Value Creation)

Details	Overview of the Year Ended March 31, 2019 and Strategies Going Forward
<p>[Initiatives toward Health] Ever since SDGs, the societal expectations to solve the problems facing society have increased. We shall engage these problems using our unique air-care technologies, which is one of our strengths.</p>	<p><Products> [Ensure Healthy Lives] Released our counter-pollen product MoriLabo, which uses Clear Forest technology that incorporates a forest's natural components.</p> <p><Community> [Sustainable Industrialization (new employment), Sustainably managed Forests] Through the comprehensive collaboration agreement with the Hokkaido Government, continued promoting the use and raising awareness of Sakhalin fir and energizing the local industry.</p>

Social Requirements (Social Responsibility)

Details	Overview of the Year Ended March 31, 2019 and Strategies Going Forward
<p>[Initiatives toward Our Customers] As a manufacturer of daily use products, we believe that our mission is to make the lives of consumers comfortable while offering products that ensure the safety and peace of mind of our customers. If, by any chance we were to lose this sense of trust from consumers, we will have lost the reason to exist in society. Recognizing this fact, we will take initiatives toward presenting consumers with products that will ensure their safety and peace of mind.</p>	<p>[Protecting Consumers' Health and Safety] Continued regularly holding meetings of PL Committee that carries out quality control, etc.</p> <p>[Fair Marketing, Factual and Unbiased Information and Fair Contractual Practices] Continued providing the products/useful information, quality information, and other information, on its website.</p> <p>[Consumer service, Support, and Complaint and Dispute Resolution] Our customer support center continues customer support by answering frequently asked questions about products, explaining how to use products, dealing with complaints, and so on.</p> <p>[Consumer data Protection and Privacy] To develop a management system in accordance with the Act on the Protection of Personal Information, and conduct inspection on a regular basis.</p>
<p>[Initiatives toward Our Employees] Since 2015, society has changed drastically in pursuit of becoming a "CO2 and disparity free society." If we cannot procure resourceful personnel that can respond to this change, there is a possibility that we might not be able to continue producing corporate value. Recognizing this fact, we will take initiatives toward the procurement and nurturing of personnel.</p>	<p>[Employment and Employment Relationship] In order to reduce long working hours, continued reviewing tasks assigned to its employees.</p> <p>[Human development and Training in the workplace] Continued providing its employees with educational programs such as e-learning.</p> <p>[Conditions of Work and Social Protection] Proceeded with the easing of the conditions for the systems for offering annual paid leaves by the hour and accumulating holidays, and staggered shifts for child rearing and nursing care.</p> <p>[Social dialogue] Continued having dialogue with labor unions, etc.</p> <p>[Health and Safety at work] Under the Business Continuity Plan (BCP), continued inspection, correction, and improvement, including disaster drills.</p>
<p>[Initiatives toward the Environment] The change in society is even more drastic in terms of environmental change. In order to curb the effects of our business activities on the environment, we will revise our products and our manufacturing and distribution processes and take initiatives to reduce the burden on the environment.</p>	<p>[Climate change Mitigation and Adaptation] Continued propelling a modal shift and hybridization of company cars.</p> <p>[Prevention of Pollution] Continued reducing waste at each and every plant.</p> <p>[Sustainable Resource Use] Continued managing air conditioning at each department and performing educational activities through information monitors, etc.</p>

Company Information

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3	Organizational Structure (Business Division System)	3 4
4	History (Foundation to 2000)	3 5
5	History (2001 to 2010)	3 6
6	History (2011 to the Present)	3 7

Company Outline

(As of March 31, 2019)

Company Name :	S.T. CORPORATION
Headquarters :	4-10, Shimo-ochiai 1-chome, Shinjuku-ku, Tokyo 161-8540, Japan TEL.03(3367)6111
Establishment :	August 1948
Fiscal Year-end :	March 31
Common Stock :	¥7,065,500,000
Employees :	Consolidated: 948 / Non-consolidated: 435 (excluding part-time and temporary employees)
Listed Stock Exchange :	Tokyo Stock Exchange, First Section

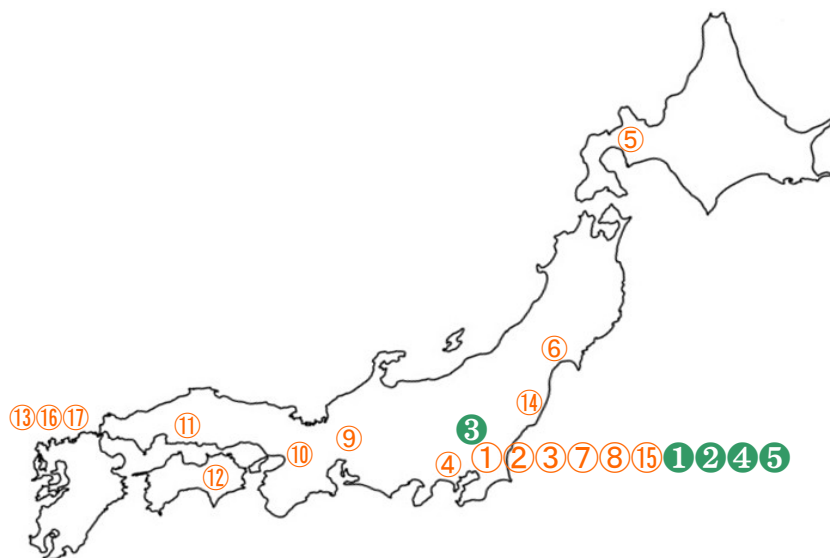


Headquarters (STR CENTER)

(As of September 12, 2019)

Affiliated Companies :	Consolidated Subsidiaries :
	• S.T. Trading Co., Ltd.
	• S.T. Business Support Co., Ltd.
	• S.T.MYCOAL CO.,LTD
	• S.T. (Thailand) Co., Ltd.
	• Family Glove Co., Ltd.(Taiwan)
	• S.T. Korea Corporation (South Korea)
	• Shaldan (Thailand) Co., Ltd.
	Non-Consolidated Subsidiary Companies Not Accounted for by the Equity Method :
	• Japan Aroma Laboratory Co., Ltd.
	• ZETA S.R.L. (Italy)
	Affiliated Companies Accounted for by the Equity Method :
	• Shaldan (Philippines), Inc.
	• Aekyung S.T. Co., Ltd. (South Korea)
	• NS FaFa Japan Co., Ltd.
	Other Affiliated Company :
	• Shaldan Co., Ltd.

Location (Business offices and group companies)



Business Offices

① Headquarters (STR CENTER)	⑨ Chubu Branch
【Research Bases】	⑩ Kinki Branch
② R&D Center	⑪ Chugoku-Shikoku Branch
【Operating Bases】	⑫ Takamatsu Sales Office
③ The Domestic and Overseas Sales Department	⑬ Kyushu Branch
④ Yokohama Sales Office	【Manufacturing Bases】
⑤ Hokkaido Branch	⑭ Fukushima Plant
⑥ Tohoku Branch	⑮ Saitama Plant
⑦ Kan-etsu Branch	⑯ Kyushu Plant
⑧ Tokyo Metropolitan Branch	⑰ 九Kyushu Plant, Kokura Office

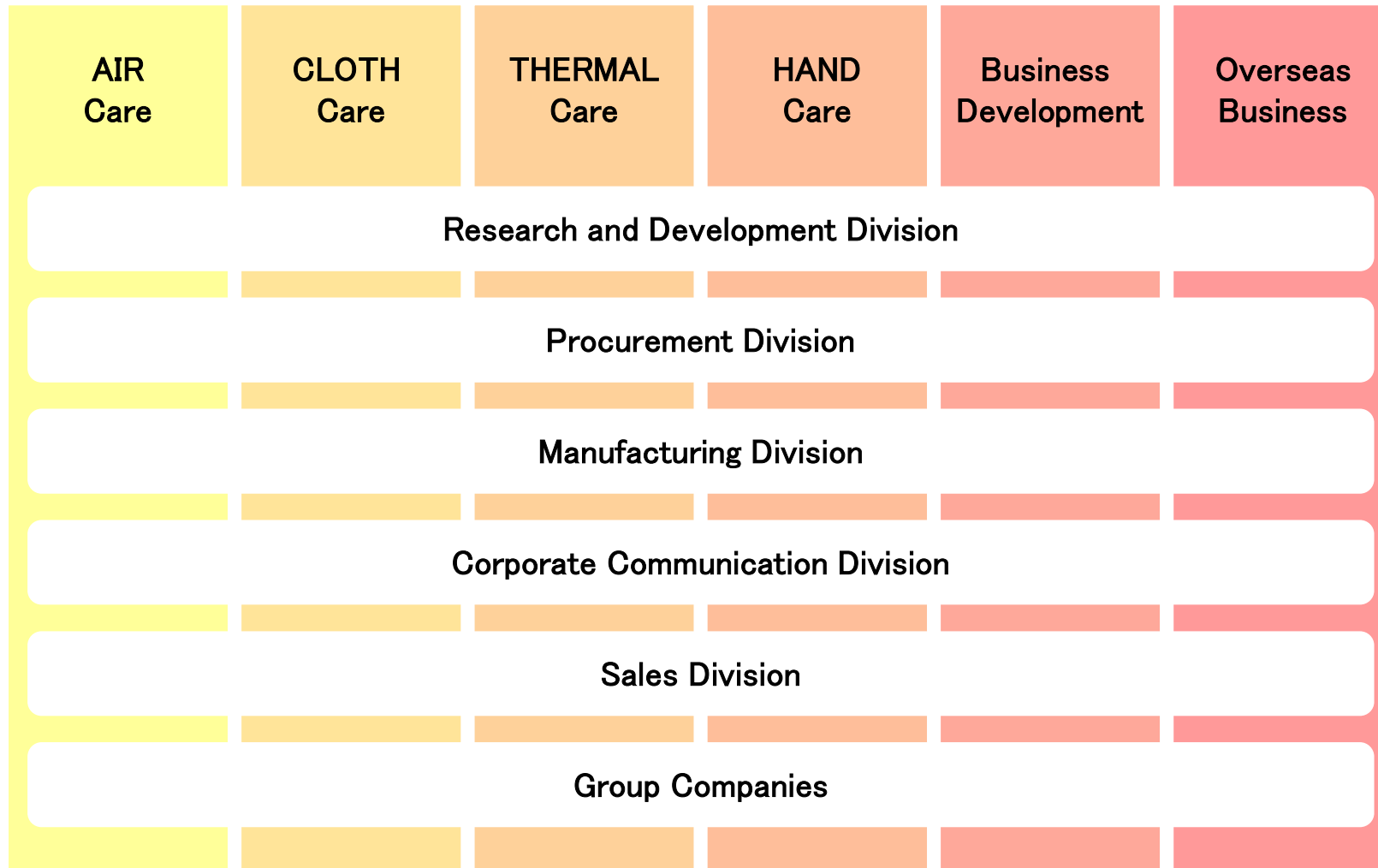
Affiliated Companies (Japan)

① S.T. Trading Co., Ltd.
② S.T. Business Support Co., Ltd.
③ S.T.MYCOAL CO.,LTD
④ Japan Aroma Laboratory Co., Ltd.
⑤ NS FaFa Japan Co., Ltd.







Affiliated Companies (Asia)

⑥ S.T.(Thailand)Co., Ltd.
⑦ Family Glove Co., Ltd.(Taiwan)
⑧ S.T. Korea Corporation(South Korea)
⑨ Shaldan(Thailand)Co., Ltd.
⑩ Shaldan(Philippines), Inc.
⑪ Aekyung S.T. Co., Ltd.(South Korea)
⑫ ZETA S.R.L. (Italy)


























Organizational Structure (Business Division System)

















History (Foundation to 2000)

Company Milestones	Air Fresheners and Deodorizers	Mothproofing Agents	Dehumidifiers	Gloves • Warmers • Others
1946 S.T. Chemical Plant founded 1948 Establishes S.T. Chemical Industries Co., Ltd. 		1946 Commences the production of mothproofing agents Suishounou at the Time of Foundation 		1960 Launches household gloves Jab and Family 
1964 Establishes Saitama Plant in Horjo City, Saitama Prefecture	 1971 Launches Air Fresheners Air Shaldan and Shaldan Ace 1978 Launches Air Fresheners Shaldan Liquid 	 1976 Launches mothproofing agent Neopara Corner 1977 Launches mothproofing agent Neopass 1979 Launches mothproofing agent Neopara Ace		
1974 Establishes Iwaki Plant in Iwaki City, Fukushima Prefecture 	1983 Launches Air Fresheners My Shaldan and Shaldan Stained 	 1988 Launches mothproofing agent Mushuda 	1981 Launches dehumidifier Drypet 1984 Launches dehumidifier Drypet for wardrobes 1988 Launches the dehumidifier Drypet Skitto (disposable) 	
1982 Changes company name to S.T. Chemical Co., Ltd 1984 Public offering of shares for OTC trade with the Japan Securities Dealers Association 1986 Shares listed on Second Section of Tokyo Stock Exchange 1988 Establishes joint venture Family Glove Co., Ltd. (Thailand) Establishes joint venture Family Glove Co., Ltd. (Taiwan) Establishes joint-venture company Shaldan (Thailand) Co., Ltd. Establishes Moji (Kyushu) Plant in Kita-Kyushu City, Fukuoka Prefecture	 1999 Launches Air Fresheners Shoshu-Pot 2000 Launches Air Fresheners Shoshu-Riki and deodorizer Dashu-Tan 	1994 Launches the mothproofing agent Mushuda (cover style)  1997 Launches mothproofing agent Mushuda for closets 2000 Launches the mothproofing agent Mushuda one-year mothproofing 		1994 Launches the cleaner Ultra-Powers Washing Tub Cleaner 

History (2001 to 2010)

Company Milestones	Air Fresheners and Deodorizers	Mothproofing Agents	Dehumidifiers	Gloves • Warmers • Others
<p>2001 Establishes S.T. R&D Center</p> <p>2002 Consolidates 3 plants and 5 bases in Japan to 3 bases</p> <p>2003 Splits off S.T. Auto Co., Ltd.</p> <p>Forms sales and office-work tie-up with Mycoal Co., Ltd.</p> <p>2004 Commences Refreshing the Air Project</p> <p>Establishes Japan Aroma Laboratory Co., Ltd.</p> <p>Forms sales and office-work tie-up with Sumitomo 3M Limited</p> <p>Adopts Company With Committees system</p> <p>Establishes 3M S.T.Hanbai Co., Ltd.</p> <p>2005 Manufactures and sells deodorants and air fresheners at PT. FUMAKILLA INDONESIA</p> <p>Establishes S.T. Business Support Co., Ltd.</p> <p>2006 Commences sales at U.S.-based Walmartstores (Dehumidifiers • Air Fresheners)</p> <p>2007 Forms office-work tie-up with Aekyung Industrial Co., Ltd. and ITOCHU Korea Ltd. in South Korea</p> <p>Establishes Aekyung S.T. Co., Ltd.</p> <p>Establishes S.T. Korea Corporation</p> <p>Reforms corporate organization after establishing new business framework (Kaonzo Kobayashi, president)</p> <p>Changes corporate name to S.T. Corporation</p> <p>2009 Launches the “design revolution” as well as “workplace reform” initiatives (Takashi Suzuki, president)</p> <p>2010 Launches the “fragrance revolution” and “S.T. Reformation”</p> <p>Entering into an Alliance with FUMAKILLA LIMITED</p> <p>Terminates sales and business alliance with Sumitomo 3M Limited</p>	<p>2001 Launches plug-type electronic Air Fresheners Shoshu-Plug</p>   <p>2005 Launches “Washing the Air” Air-Wash Mist spray</p>   <p>2006 Launches plug-type electronic Air Fresheners Shoshu-Plug Illuminated</p>   <p>2008 Launches electronic Air Fresheners Shoshu-Plug Autospray</p>   <p>2009 Complete design renewal of Shoshu-Plug Autospray and Shoshu-Plug</p> <p>2010 Launches the stick-type air freshener My Aroma Stick and the deodorizer Gomi bako no Shoshu-Riki</p>  	<p>2003 Launches the mothproofing agent Mushuda (cover style)</p>  <p>2007 Launches the mothproofing agent Mushuda for walk-in closets</p>   <p>2010 Launches the mothproofing agent Kaori Mushuda</p> 	<p>2002 Launches the dehumidifier Drypet Compact</p>   <p>2004 Launches the dehumidifier Bincho-Tan Drypet</p> <p>2005 Launches the dehumidifier Bincho-Tan Drypet for shoes</p>  <p>2006 Launches the dehumidifier Bincho-Tan Drypet Futon Kaiteki Sheet</p>  <p>2010 Launches the dehumidifier Bincho-Tan Drypet for boots</p> 	<p>2003 Launches the insect repellent for rice bins Kome-Touban and the warmer Onpacks</p>   <p>2007 Launches the cleaner Powers Baking Soda Scrubber</p>  <p>2008 Launches the dish-washing detergent FRESH-UP</p>  <p>2010 Launches the ion generator Virus Attacker and the shoe cleaner Ohisama no Sentaku</p>  

History (2011 to the Present)

Company Milestones	Air Fresheners and Deodorizers	Mothproofing Agents	Dehumidifiers	Gloves • Warmers • Others
<p>2011 Commences the Clear Forest business</p>   <p>2012 Concludes a three-company capital and business alliance with NS FaFa Japan Co., Ltd.</p>  <p>2013 Completion of the Company's headquarters (STR CENTER)</p> <p>2014 Changes company name from Family Glove Co.,Ltd.(Thailand) to S.T.(Thailand)Co.,Ltd. Conducts an absorption type merger of S.T.Auto Co.,Ltd.</p> <p>2015 Conducts an absorption type merger of Japan Corporation Co., Ltd.</p> <p>2018 Establishes S.T. MYCOAL Co., Ltd.</p> <p>2019 Acquired ZETA S.R.L. (Italy)</p>	<p>2011 Launches the insect repellent Air Fresheners Gomi bako no Shoshu-Riki Kobae yoke kouka Plus</p>   <p>2014 Launches Air Fresheners Kuruma no Shoshu-Riki</p>   <p>2015 Launches Air Fresheners SHALDAN and Shoshu-Riki</p> <p>2016 Launches Air Fresheners Shoshu-Riki kinou-Plus</p>   <p>2017 Launches deodorizer Dashu-Tan-Smell removing paper</p> 			<p>2011 Launches the futon spray Ohisama no Shoshu, an automatic electrically powered insect repeller, and the household radiation detector Air Counter</p>   <p>2012 Launches the household radiation detector Air Counter S</p>  <p>2013 Clear Forest Car</p>  <p>2017 Launches cleaner Senjou-riki-Foamy toilet cleaner</p> 