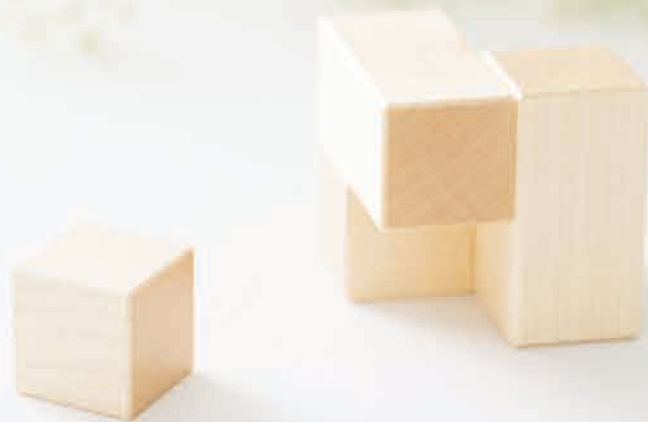


# Refreshing the Air



Our business is to brighten and enliven the lives of customers with air.  
We have focused on niche markets, and reeled in customers while  
developing products with the keywords:  
“understanding through listening, seeing, and using.”

#### Compilation policy

This report includes the efforts for creating corporate value as an annual report on the business activities of the S.T. Group. With reference to the requests, opinions, etc. from stakeholders, it includes important issues (financial and non-financial information) for both stakeholders and the S.T. Group.

**[Scope of reporting]** See the entire picture of communication tools on page 13.

**[Target organizations]** The document reports 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. (nonconsolidated) and group companies in Japan, and the “S.T. (nonconsolidated)” means S.T. Corporation (nonconsolidated).

**[Target period]** April 1, 2016 to March 31, 2017

**[Date of issuance]** August 2017

**[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.

#### Contents

Management Strategy P. 2    Message P. 4    Systems for Supporting Management P. 6    Financial and Non-Financial Highlights P. 8

Business at a Glance P. 10    Sustainability Overview P. 12    Corporate Data / Overview of Communication Tools P. 13

Household Gloves  
(Market Share: No.2)

24%

Disposable Warmers  
(Market Share: No.2)

17%

Mothproofing Agents  
(Market Share: No.1)

50%



Dehumidifiers  
(Market Share: No.1)

38%

Deodorizers  
(Market Share: No.1)

79%

Deodorizers and Air Fresheners  
(Market Share: No.2)

26%

The market share was estimated by INTAGE Inc.  
(Filtered according to SRI category) (Data from January to December put together, except disposable pocket warmers, for which data from April to March were put together.)

Our business environment is changing, as the social structure is transforming and globalization is progressing.

We aim to establish a robust business base for responding to such changes, create customers, and develop highly profitable system and management base.

## Growing our brand through “brand value management”

Innovation in the Air Care business

Structural change of society

Trend of globalization

Create markets  
with our new unique  
air-care technologies

Foray into a new market  
with our existing  
technologies

Enhance  
our global  
strategies

## To a growth track with “united S.T. CORPORATION”

### Profit skyrocketed thanks to the business matrix structure

In the year ended March 2017, we developed the business matrix structure further, which commenced in the previous year, with the aim of actualizing a highly profitable system under the managerial policy “brand value management.” The visualization of each business progressed, and we strived to manage our revenue thoroughly. As a result, our revenue increased considerably. As for new products, fragrance products sold well; especially the sales of “SHALDAN” FRAGRANCE and “Shoshu-Riki” Premium Aroma series contributed. As for deodorizers, high-priced products with high added value, such as the “Shoshu-Riki” Function Plus series for restrooms, contributed. Consequently, sales were 46.0 billions of yen, up 2.9% year on year.

As for profit, quantity sold increased and products with high added value were promoted. As for cost, our continued efforts for reducing product returns and the costs for manufacturing bore fruit, and we strived to decrease inventory and the number of products. Consequently, operating income was 2.9 billions of yen, up 21.9% year on year, ordinary income was 2.9 billions of yen, up 68.3% year on year, and profit attributable to owners of parent was 1.8 billions of yen, up 99.2% year on year.

### Development of a highly profitable system, and sowing the seeds of growth

The year ending March 2018 (this year) is the last fiscal year in the medium-term business plan. This year, we will conduct “sowing the seeds of growth” while “developing a highly profitable system.”

For “developing a highly profitable system,” we will “expand the market with our Air Care business,” increase our share by “vitalizing the market with our existing business,” and boost our profit by “continuously reforming our profit earning structure.”

For “sowing the seeds of growth,” we will try to achieve the three objectives: “to foray into a new market with our existing technologies,”

“to create markets with our new unique air-care technologies,” and “to enhance our global strategies.”

“To foray into a new market with our existing technologies,” we launched “Yells,” a new brand of nursing-care goods for meeting the needs in the super-aged society. We will alleviate the complaints and inconveniences at nursing-care sites by utilizing our original deodorant technology.

“To create markets with our new unique air-care technologies,” we will release “Aroma Sapuri,” a new brand focused on the physiological effects of fragrance, and suggest new healthy habits with aroma oil. As for another new technology “Clear Forest,” we obtained the European organic certification in July 2016, and are cultivating a new market.

“To enhance our global strategies,” we will concentrate on the business in the ASEAN region, which is the target area of our strategies, with the hub of our activities located in Thailand.

### For actualizing “united S.T. CORPORATION”

Our policy for this year is “to get on a growth path as united S.T. CORPORATION.”

We have evolved the business matrix structure further, integrated domestic and overseas sales sections, which had been separate organizations, into one organization, and strengthened the support of the support section.

In order to improve our corporate culture, we will promote the “change in work styles.” We will not able to create products that make customers happy, unless we ourselves keep a good balance between work and private life and lead a happy life. By getting rid of meaningless tasks and introducing flexible ways of working, we will enhance our productivity and develop a sustainable business base.

Through these activities, we will get on a growth track in new fields and markets, to make great strides. We would appreciate your continued support.



Takako Suzuki  
President and Chief Operating Officer (COO)



## Corporate Governance

We consider that corporate governance is a “system for supporting” the sustainable co-growth of enterprises and society. 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 2017, female directors make up 33% of the board (two 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 marketing and accounting, etc. (The Company was selected as “Diversity Management Selection 100 (2013)” (METI Minister Award).) In 2015, a board evaluation was also conducted to improve the effectiveness of the Board.

### Remunerations of directors and executive officers

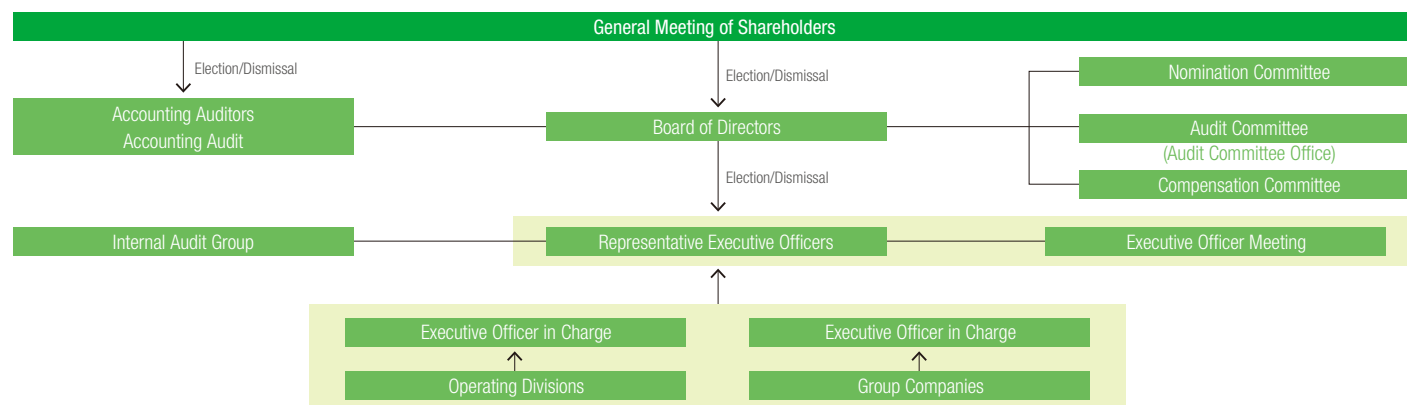
The remunerations of directors and executive officers are designed for improving corporate value.

### Overview of corporate governance

(Year ended March 31, 2017)

Governance Type	Company with three committees
Number of Board Members	9
Number of Outside Directors	5 (56%)
Number of Independent Directors	4 (Notified as the persons designated by the Tokyo Stock Exchange)
Board Diversity	3 female directors (including 1 outside director)
Number of Board Meetings Held per Year	7 times
Average Attendance Rate of Board Meetings	100%
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)
Audit Committee	4 members (4 outside directors; chaired by an outside director)
Compensation Committee	3 members (2 outside directors; chaired by an outside director)

### Corporate governance structure





## Board of Directors

(As of June 14, 2017)



**Takashi Suzuki**  
Chairman of the Board of Directors



**Naoto Onzo**  
Director ( Outside Director )



**Kanichi Suzuki**  
Director ( Outside Director )



**Mitsuko Miyagawa**  
Director ( Outside Director )



**Noriyuki Watanabe**  
Director ( Outside Director )



**Kazuo Sugiyama**  
Director ( Outside Director )



**Takako Suzuki**  
Director



**Kumiko Ishikawa**  
Director



**Kouichi Yoshizawa**  
Director

## Corporate governance overview

(As of June 14, 2017)

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) ☆		○		Kazuo Sugiyama
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 June 14, 2017)

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 Business Management Division and the Business Department 1 and the Business Department 2	Tsukasa Konda
Managing Executive Officer	In charge of the Management Control Division and responsible for Domestic Group Companies	Kumiko Ishikawa ※
Managing Executive Officer	In charge of the Sales Division and the Domestic Sales Department	Yo Kouzuki
Executive Officer	In charge of the Executive Creative Director	Koji Kage
Executive Officer	In charge of the Management Strategy Division and the Manufacturing Division	Kouichi Yoshizawa ※
Executive Officer	In charge of the R&D Division	Mikio Tsuji
Executive Officer	In charge of the International Sales Department and responsible for Overseas Group Companies	Keiichi Hayasaka

※: Holds the concurrent position of director

## Risk Management and Compliance

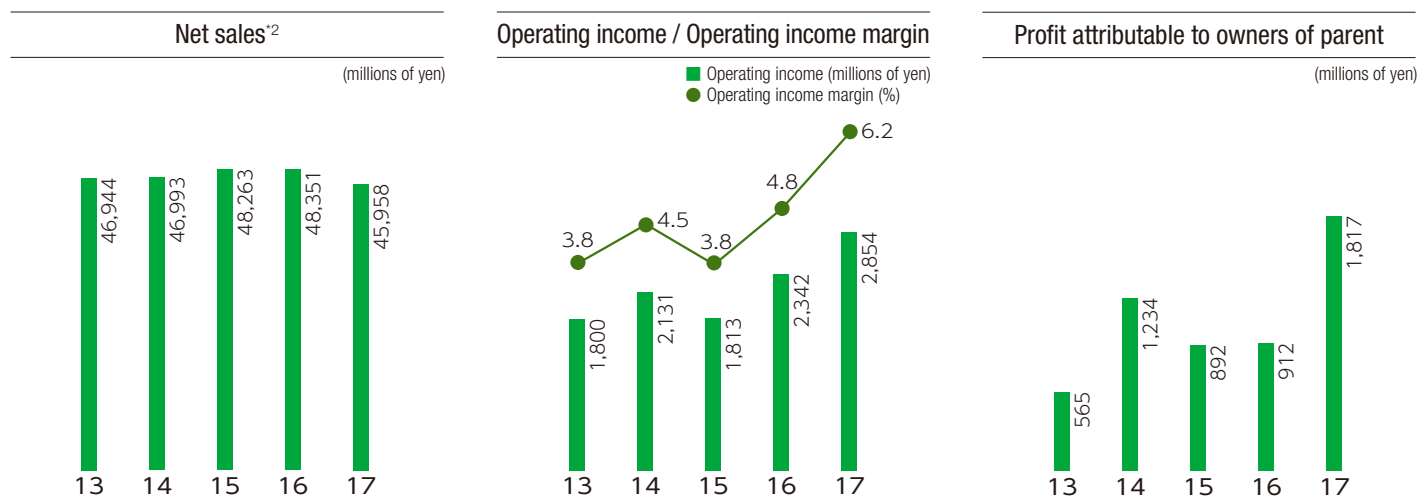
For internal control, we promote system development in order to secure the adequacy of organizational business operation. In order to accomplish organizational goals effectively, efficiently, and properly, opinions inside and outside the company are constantly grasped and improvements are continuously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

We consider that risk control is the most important issue for management. We are working to establish a system that can prevent

occurrence of various management risks surrounding the company, minimize damage in the event that incidents do occur, and to prevent their reoccurrence.

As for compliance, we observe not only laws, but also internal and external regulations, ethics, and social norms; fulfill social requirements and expectations by putting our management philosophy and codes of conduct into practice; and strive to maintain and improve the trust of stakeholders.

## Financial and Non-Financial Highlights



Fiscal year (ended March 31)

	2008	2009	2010	2011
--	------	------	------	------

### For the Year

Net sales <sup>2</sup>	¥47,006	¥44,879	¥43,546	¥43,580
Operating income	3,219	2,493	2,246	2,114
Profit attributable to owners of parent	1,295	1,076	1,119	786
R&D expenses	489	499	612	610
Capital expenditures	649	716	673	662
Depreciation and amortization	936	858	922	992
Free cash flow	3,655	945	2,137	-897

### At Year-End

Total assets	28,393	27,617	29,029	30,011
Total net assets	19,144	19,029	19,966	19,972
Number of issued outstanding shares (thousands) <sup>3</sup>	21,813	21,831	21,852	21,786

### Financial Indicators

Operating income margin	6.8	5.6	5.2	4.9
ROA <sup>4</sup>	4.2	3.8	4.0	2.7
ROE <sup>5</sup>	6.1	5.8	5.9	4.0
Equity ratio	65.6	67.5	67.2	64.9

### Non-Financial Indicators

CO <sub>2</sub> emissions (tons) <sup>6</sup>	4,398	4,079	4,433	4,167
Number of employees (people)	607	619	611	630
Ratio of female directors to total directors (%)	12.5	12.5	11.1	12.5
Ratio of outside directors to total directors (%)	62.5	62.5	66.7	62.5

### Per Share Information

Profit attributable to owners of parent	¥54.08	¥49.32	¥51.25	¥36.03
Net assets	853.90	853.81	892.46	893.74
Dividends	22	22	22	22
Common Stock prices <sup>7</sup>	1,264	940	1,046	916

Notes: 1. U.S. dollar amounts are translated from yen for convenience only, at the rate of ¥112.19 = U.S.\$1.00, the approximate rate on the Tokyo Foreign Exchange Market on March 31, 2017.

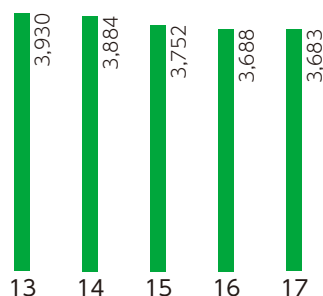
2. Effective from the fiscal year ended March 31, 2017, we have applied the new accounting standards.

3. Number of issued outstanding shares does not include that of treasury shares.

4. ROA = Profit attributable to owners of parent / average total assets for the fiscal year.

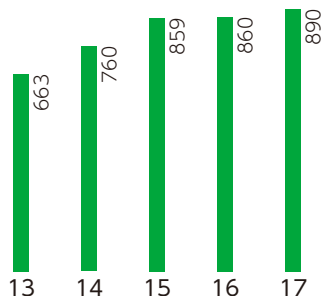
### CO<sub>2</sub> emissions<sup>6</sup>

(tons)  
S.T. Group (in Japan)



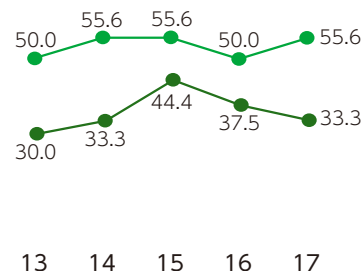
### Number of employees

(people)



### Ratio of outside directors to total directors / Ratio of female directors to total directors

● Ratio of outside directors to total directors (%)  
● Ratio of female directors to total directors (%)






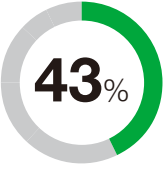


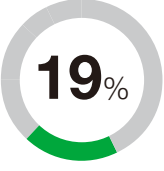

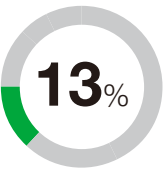

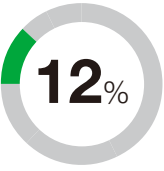

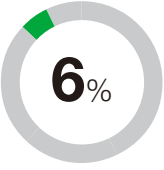

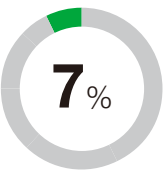
2012	2013	2014	2015	2016	2017	2017
					millions of yen	thousands of U.S. dollars <sup>*1</sup>
¥46,354	¥46,944	¥46,993	¥48,263	¥48,351	<b>¥45,958</b>	<b>\$409,644</b>
1,751	1,800	2,131	1,813	2,342	<b>2,854</b>	<b>25,441</b>
76	565	1,234	892	912	<b>1,817</b>	<b>16,196</b>
659	572	564	513	536	<b>611</b>	<b>5,444</b>
1,007	2,061	942	1,486	1,758	<b>608</b>	<b>5,422</b>
931	830	894	844	1,128	<b>997</b>	<b>8,883</b>
773	-944	2,624	369	1,857	<b>4,529</b>	<b>40,365</b>
30,287	30,076	32,370	33,785	34,924	<b>38,458</b>	<b>342,795</b>
19,701	20,213	21,087	22,600	23,496	<b>25,812</b>	<b>230,077</b>
21,718	21,716	21,853	21,851	21,699	<b>21,877</b>	
%						
3.8	3.8	4.5	3.8	4.8	<b>6.2</b>	
0.3	1.9	4.0	2.7	2.7	<b>5.0</b>	
0.4	2.9	6.1	4.2	4.1	<b>7.6</b>	
63.4	65.4	63.2	64.8	65.2	<b>65.3</b>	
3,727	3,930	3,884	3,752	3,688	<b>3,683</b>	
647	663	760	859	860	<b>890</b>	
25.0	30.0	33.3	44.4	37.5	<b>33.3</b>	
50.0	50.0	55.6	55.6	50.0	<b>55.6</b>	
					yen	U.S. dollars
¥3.48	¥26.01	¥56.74	¥40.83	¥42.01	<b>¥83.57</b>	<b>\$0.74</b>
884.45	905.84	936.06	1,001.84	1,049.58	<b>1,148.41</b>	<b>10.24</b>
22	22	22	22	22	<b>24</b>	<b>0.21</b>
1,025	988	999	1,021	1,114	<b>1,809</b>	<b>16.12</b>

5. ROE = Profit attributable to owners of parent / average total equity (total net assets - subscription rights - non-controlling interests in consolidated subsidiaries) for the fiscal year.

6. The CO<sub>2</sub> emissions from the S.T. Group (in Japan)

7. The common stock prices were as of the end of the fiscal years, ended March 31.

## Business at a Glance

Business by Category	Proprietary Brand	Market Share and Rank (Japan)	Composition of Net Sales	Sales/YoY
<b>Air Care</b> (Deodorizers and Air Fresheners)	TV commercial of "SHALDAN"   	Deodorizers and Air Fresheners <b>26%</b> (Market Share: No.2) Deodorizers <b>79%</b> (Market Share: No.1)	 <b>43%</b>	<b>19,640</b> Millions of yen +3.5%
<b>Cloth Care</b> (Mothproofing Agents)	TV commercial of "Mushuda"  	Mothproofing Agents <b>50%</b> (Market Share: No.1)	 <b>19%</b>	<b>8,938</b> Millions of yen -1.4%
<b>Thermal Care</b> (Disposable Warmers)		Disposable Warmers <b>17%</b> (Market Share: No.2)	 <b>13%</b>	<b>5,728</b> Millions of yen +15.8%
<b>Hand Care</b> (Gloves)		Household Gloves <b>24%</b> (Market Share: No.2)	 <b>12%</b>	<b>5,290</b> Millions of yen +3.1%
<b>Humidity Care</b> (Dehumidifiers)		Dehumidifiers <b>38%</b> (Market Share: No.1)	 <b>6%</b>	<b>2,966</b> Millions of yen -5.4%
<b>Home Care</b> (Cleaners and Other Products)			 <b>7%</b>	<b>3,395</b> Millions of yen -0.4%

### Overseas

The ratio of overseas sales is 7%. 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

We obtained the organic certification for the new kind of product "Clear Forest," to cultivate a new business field.

The market share was estimated by INTAGE Inc. (Filtered according to SRI category) (Data from January to December put together, except disposable pocket warmers, for which data from April to March were put together.) Sales and annual growth rate are shown in accordance with the new accounting policy, as it was revised effective from the year ended March 2017.

Market Environment	Salient Business Features and Strengths	Overview of Fiscal 2017 and Strategies Going Forward
<ul style="list-style-type: none"> <li>● The market is growing.</li> <li>● Fragrance-focused products are showing a growth trend, with further growth anticipated.</li> </ul>	<ul style="list-style-type: none"> <li>● Mainstay business division accounting for about 40% of the Company's total sales. A business that is expected to experience future growth.</li> <li>● This division owns unique brands, including our largest brand "Shoshu-Riki," "SHALDAN" for enjoying more fragrance, and "Dashu-Tan," which deodorizes air with the power of charcoal.</li> </ul>	<ul style="list-style-type: none"> <li>● The performance of products with high added value, including "SHALDAN" Fragrance, "Shoshu-Riki" Premium Aroma series and Function Plus series, was favorable, increasing sales.</li> <li>● This year, we will keep striving to expand the markets of mainly "Shoshu-Riki" and "SHALDAN." We will also sow the seeds of growth.</li> </ul>
<ul style="list-style-type: none"> <li>● The market is on a plateau and stable.</li> <li>● With changes in storage styles, responding to diverse needs will be the key in the future.</li> </ul>	<ul style="list-style-type: none"> <li>● A foundation business rivaling the importance of the Air Care category in terms of marketing.</li> <li>● This category comprises topline brands including "Mushuda" and "Neopara Ace," which are well recognized for their reliability in protecting clothes from moths.</li> </ul>	<ul style="list-style-type: none"> <li>● The results in the spring and autumn seasons of the previous year were healthy, and this spring saw relatively low air temperatures, making sales reaching a peak this year and then decreasing sales in the previous year.</li> <li>● This year, we will make efforts to strengthen and develop our brand, and propose new storage methods, to cultivate and expand a new kind of demand.</li> </ul>
<ul style="list-style-type: none"> <li>● Climate change significantly impacts the market. Difficult to differentiate products. Intense market competition.</li> <li>● It is essential to introduce purposes of use that are still not popular and appeal to young people.</li> </ul>	<ul style="list-style-type: none"> <li>● Winter-based product range. Provide an additional point-of-sale management role linked to spring and autumn mothproofing agents.</li> <li>● Advantage of alliance products. Offer "Onpacks" and other brands manufactured by Mycoal Corporation in July 2003. Products are distinguished by their established reputation for high quality, especially products for feet.</li> </ul>	<ul style="list-style-type: none"> <li>● Sales recovered and grew from the second preceding year, which witnessed a record warm winter.</li> <li>● This year, we will keep concentrating on the sale of products for feet, and promote the sales of our products at stores, to cultivate and expand a new kind of demand.</li> </ul>
<ul style="list-style-type: none"> <li>● Both household and industrial-use markets are growing.</li> <li>● In addition to improving work efficiency, proposals for improved functionality and added value are key points.</li> </ul>	<ul style="list-style-type: none"> <li>● An inaugural, enduring division with a history of six decades together with the Cloth Care category.</li> <li>● This category is comprised of the "Family" series of household gloves, "Modelobe" series of industrial-use gloves and other products. Gloves with reinforced fingertips and NBR gloves with good puncture resistance have been marketed.</li> </ul>	<ul style="list-style-type: none"> <li>● Industrial NBR gloves, the household vinyl gloves "Family" Hand Fleur, etc. sold well, and sales increased.</li> <li>● This year, we will keep promoting the sales of household and industrial gloves, to strengthen and develop our brands.</li> </ul>
<ul style="list-style-type: none"> <li>● The market is growing. Difficult to differentiate products. Intense market competition.</li> <li>● Putting forward value-added products that offer new functions and applications is critical to future growth.</li> </ul>	<ul style="list-style-type: none"> <li>● This business has consistently led the market since "Drypet" was first launched in 1981.</li> <li>● This category is comprised of the mainstay brand "Drypet," as well as other products including "Bincho-Tan Drypet," which offers a deodorizing function together with dehumidifying; a solid lineup including refill- and sheet-type products.</li> </ul>	<ul style="list-style-type: none"> <li>● As we shifted from products for the largest market to products with high added value, sales dropped.</li> <li>● This year, we will keep promoting products with high added value to cultivate and expand a new kind of demand.</li> </ul>
<ul style="list-style-type: none"> <li>● Robust conditions in the niche cleaner and mothproofing agents for rice bins markets.</li> </ul>	<ul style="list-style-type: none"> <li>● This business is currently fostering the niche cleaner market and is coordinating efforts to nurture other new products that are under development.</li> <li>● It owns unique products, such as the cleaners in the niche market, including "Ultra Powers" and "Ohisamano-Sentakku," and the mothproofing agents for rice bins "Kome-Touban."</li> </ul>	<ul style="list-style-type: none"> <li>● The performance of "Kome-Touban" and "Ultra-Powers Washing Tub Cleaner" was healthy, but the sales of other products dropped. Accordingly, the sales of this segment declined.</li> <li>● We will endeavor to make inroads into new fields for further growth.</li> </ul>

Outside Japan, we will focus on the target areas of our strategies. We will enter the ASEAN market with the hub of our activities located in Thailand. We will fortify our business infrastructure, and concentrate on the sale of air-care products and new core products.

Utilizing the fact that the business areas of the three companies are complementary to each other, we will try to improve the development and profitability of the three companies' businesses.

We launched "Yells" for alleviating the complaints and inconveniences experienced at nursing-care facilities, and "Aroma Sapuri," a new brand suggesting new healthy habits with fragrance.

## We aim to achieve the co-growth of enterprises and society, by meeting social requirements and expectations in good faith.

The Company considers sustainability as “actions for the mutual development of the Company and society.” Our business utilizes valuable resources provided by stakeholders, and we are aware that these resources are entrusted to the Company with the expectations that they will be properly managed. In order to meet the expectations, we will work on “Social Expectation (Value Creation using ‘an identity of S.T.’)” and “Social Requirements (Social Responsibility).” Through

engagement we aim at mutual development with society by receiving a proper understanding of the Company and continuous support from society.

As for sustainability, important issues (materiality) for both stakeholders and the S.T. Group are included with reference to the opinions, requests, etc. from stakeholders.

Policy of Sustainability	Materiality	Overview of Fiscal 2017 and Strategies Going Forward
<p><b>Social Expectations</b> (Value Creation)</p>	<ul style="list-style-type: none"> <li>● <b>Utilization of unique air-care technologies</b> [Solving Social Issues] S.T. is developing products that could make the living of customers more comfortable with air, and proceeding with the air purifying business based on new technologies. Since “SDGs,” there are growing social requirements and expectations for “solving social issues,” and the S.T. Group considers that tackling these issues would lead to the creation of corporate value.</li> </ul>	<ul style="list-style-type: none"> <li>● &lt;Products&gt; [Ensure healthy lives] As for the new technologies, started making B2B transactions in the “Clear Forest” brand. Received an organic certificate and obtained patents for hay fever related products. As for the existing technologies, in the spring of 2017, established “Yells,” a new brand of products for elderly care.</li> <li>● &lt;Community&gt; [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.</li> </ul>
<p><b>Social Requirements</b> (Social Responsibility)</p>	<ul style="list-style-type: none"> <li>● <b>Provision of safe, reliable products to consumers</b> [Consumer Issues] We consider that the manufacturers of daily necessities have a social mission to make the living of consumers more comfortable and an important obligation to offer safe, reliable products and services. If an enterprise loses the satisfaction and trust of consumers, it will become unable to survive. We recognize this and take various measures to ensure that it does not happen.</li> </ul>	<ul style="list-style-type: none"> <li>● [Protecting consumers' health and safety] Continued regularly holding meetings of PL Committee that carries out quality control, etc.</li> <li>● [Fair marketing, factual and unbiased information and fair contractual practices] Continued providing the products/useful information, quality information, and other information, on its website.</li> <li>● [Consumer service, support, and complaint and dispute resolution] Received the “award for excellence” at the 20th Corporate Telephone Manner Contest (hosted by Japan Telecom Users Association) for the third consecutive year (recognized as “Silver Rank Company”).</li> <li>● [Consumer data protection and privacy] Continued managing personal information.</li> </ul>
<p><b>Social Requirements</b> (Social Responsibility)</p>	<ul style="list-style-type: none"> <li>● <b>Securing and training of personnel</b> [Labor Practices] Amid the significant turning point, including demographic changes and globalization, if we cannot secure competent personnel who can respond to such changes, we will not be able to create corporate value sustainably. The S.T. Group recognizes this, and is improving employment and labor environments.</li> </ul>	<ul style="list-style-type: none"> <li>● [Employment and employment relationship] In order to reduce long working hours, continued reviewing tasks assigned to its employees and implementing no-overtime days.</li> <li>● [Human development and training in the workplace] Continued providing its employees with educational programs such as e-learning.</li> <li>● [Conditions of work and social protection] Continued the promotion of maternity and childcare leaves, shortened working hours, etc.</li> <li>● [Social dialogue] Continued having dialogue with labor unions, etc.</li> <li>● [Health and safety at work] Under the Business Continuity Plan (BCP), continued inspection, correction, and improvement, including disaster drills.</li> </ul>
<p><b>Social Requirements</b> (Social Responsibility)</p>	<ul style="list-style-type: none"> <li>● <b>Efforts based on environmentally conscious products, manufacturing and distribution processes</b> [Environment] The S.T. Group (in Japan) actively engages in the countermeasures for climate change, which is required globally, and tackles various environmental issues that would be influenced by business activities.</li> </ul>	<ul style="list-style-type: none"> <li>● [Climate change mitigation and adaptation] Continued propelling a modal shift and hybridization of company cars.</li> <li>● [Prevention of pollution] Continued reducing waste at each and every plant.</li> <li>● [Sustainable resource use] Continued having no-overtime days, managing air conditioning at each department, performing educational activities through information monitors, etc.</li> </ul>

## Corporate Data

### Company name

S.T. CORPORATION

### Headquarters

4-10, Shimo-ochiai 1-chome, Shinjuku-ku,  
Tokyo 161-8540, Japan  
Telephone: +81-3-3367-6111

### Establishment

August 31, 1948

### Account settlement date

March 31

### Paid-in capital

¥7,065,500,000

### Employees (as of March 31, 2017)

Consolidated: 890  
Non-consolidated: 415  
(excluding part-time and temporary employees)

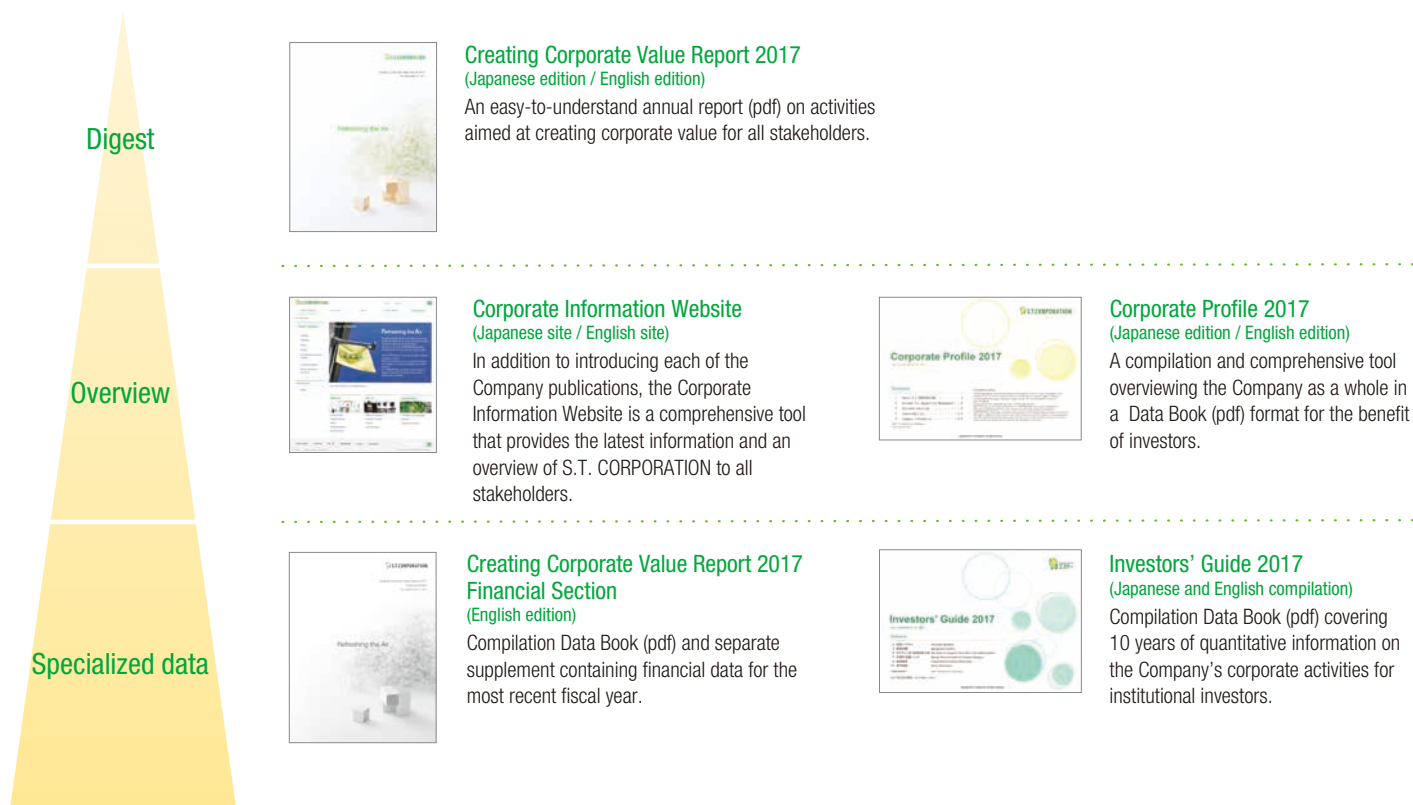
### Stock listing

First Section, Tokyo Stock Exchange

### Group companies

S.T. Trading Co., Ltd.  
S.T. Business Support Co., Ltd.  
S.T. (Thailand) Co., Ltd.  
Family Glove Co., Ltd. (Taiwan)  
S.T. Korea Corporation (South Korea)  
Japan Aroma Laboratory Co., Ltd.  
Shaldan (Thailand) Co., Ltd.

## Overview of Communication Tools



Communication tools are available within the Library section of the Company's Corporation Information Website.



4-10, Shimo-ochiai 1-chome, Shinjuku-ku, Tokyo 161-8540, Japan  
<http://www.st-c.co.jp/english/company/index.html>



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