



Management Philosophy

Truly inspired

How often do we consider the countries and communities we touch,
and how much empathy do we have for the people living there?

Are we contemplating what's best for them and then doing our utmost to act in their interests?

Each day, we must reflect on our actions;

we must strive to do better not only for ourselves, but also for others.

When we come together and our efforts are united, we make the impossible possible.

With integrity, solidarity, and determination, we will overcome any challenge we face.

CONTENTS

| | | |
|-----|--|--|
| 2 | Management Philosophy and Contents | |
| 3 | Editorial Policy | |
| 4 | Principles of Management and Management Philosophy | |
| 5 | Message from the President | |
| 6 | Our Path to 2050 | |
| 7 | Business Environment to 2050 | |
| 8 | Basic Policies Aimed at 2030 | |
| 10 | FY2020 Review of Operations | |
| 10 | Idemitsu Group by the Numbers | |
| 11 | Our Initiatives to Counter the COVID-19 Pandemic | |
| 12 | Idemitsu Group's Sustainability | |
| 17 | Accelerating Our Digital Transformation | |
| | ENVIRONMENT | |
| 19 | Details of Our Environmental Management and Environmental Policy | |
| 21 | Resource Inputs and Environmental Footprints Attributable to the Idemitsu Group's Operations | |
| 22 | Our Response to Climate Change | |
| 31 | The Idemitsu Group's Technologies Underpinning Innovation | |
| 33 | Working Towards a Circular Economy | |
| 34 | Initiatives to Reduce Industrial Waste Disposal | |
| 35 | Conservation of Water Resources | |
| 36 | Conservation of Biodiversity | |
| 39 | Chemical Management and Hazardous Substance Reduction | |
| 40 | Pollution Prevention | |
| | SOCIAL | |
| 41 | Initiatives for Regional Revitalization | |
| 45 | Respect for Human Rights | |
| 48 | Human Resources Strategies | |
| 49 | Employment and Recruitment Conditions | |
| 51 | Promotion of D&I | |
| 55 | Human Resource Development | |
| 57 | Various HR Systems | |
| 58 | Promotion of Employees' Health | |
| 61 | Harassment Prevention Initiatives | |
| 61 | Efforts to Improve Workplace Culture and Engagement | |
| 67 | Ensuring Safety | |
| 70 | Quality Control and Quality Assurance | |
| 72 | Collaboration with Partners | |
| 75 | Social Contribution Activities | |
| | GOVERNANCE | |
| 78 | Message from Outside Directors | |
| 80 | Directors and Audit & Supervisory Board Members | |
| 82 | Corporate Governance | |
| 87 | Compliance | |
| 90 | Risk Management | |
| 93 | Intellectual Property | |
| | ESG Data | |
| 94 | Environment | |
| 98 | Social | |
| 103 | Governance | |
| 104 | Environmental Data of Refineries and Complexes | |
| | Comparative Table | |
| 106 | Comparative Table with GRI Standards | |
| 116 | Comparative Table with ISO 26000 | |
| 118 | Independent Assurance Report | |



Editorial policy

In order to deepen stakeholder understanding of the Idemitsu Group's management and corporate activities as a whole, information is provided through the "Idemitsu Integrated Report," "Idemitsu Sustainability Report," and the "Sustainability Website."

Idemitsu Integrated Report (Booklet version)

This report includes financial and non-financial information, the vision of the new integrated company, and an explanation of its business operations, all of which are aimed at helping people understand our group from a medium to long-term perspective.

Idemitsu Sustainability Report (Web version)

This report goes over the non-financial information in the Idemitsu Integrated Report in greater detail to help people understand our environmental, social, and governance initiatives for realizing a sustainable society.

Sustainability Website

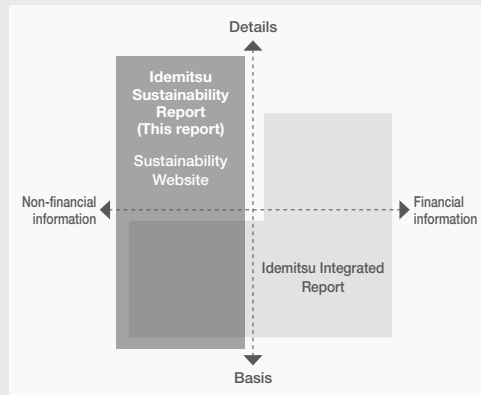
We disclose information on a wide range of topics from the environmental, social, and governance perspectives. We also provide information on the results of our efforts in a timely manner.

<https://sustainability.idemitsu.com/en>



Scope of the reporting

As a general rule, this report covers Idemitsu Kosan Co.,Ltd. and its 255 group affiliates (major affiliates, general affiliates, subsidiaries, and equity-method affiliates) as of the end of September, 2020. When the scope differs, this fact is noted.



Reporting period

Results for FY2020 (April 1, 2019-March 31, 2020) are included in this report. When the applicable period differs, this fact is noted. Activities since April 2021 are also included.

Reference guidelines

In the compilation of this report, reference has been made to GRI's Sustainability Reporting Guidelines (Standard), ISO 26000, and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Publication information

Japanese version:

Published annually since 2001, and the previous edition was published in December 2020.

English version:

Published annually since 2003, and the previous edition was published in January 2021.

Performance data with independent practitioner's assurance

To ensure the reliability of the numerical data, we obtained an independent practitioner's assurance of the data indicated with in the Japanese version of this report by SOCOTEC Certification Japan. The Independent Practitioner's Assurance Report is presented at the end of this report.

* Any plans, projections, or targets contained in this report that are not historical facts are based on decisions and assumptions made by the Company using information currently available. Actual results may differ substantially from forecasts due to various factors. Factors that may affect the results of operations include economic conditions, crude oil prices, petroleum product supply and demand, market conditions, and currency exchange rates but are not limited to these factors.

Contact information for inquiries about Idemitsu Sustainability Report

Idemitsu Kosan Co.,Ltd.

Contact form on the official website: <https://www.idemitsu.com/contact/flow/>

