



A LETTER TO OUR CUSTOMERS

KIMICA received the JAPAN SDGs AWARD

On December 21, 2020, KIMICA Corporation was awarded the Special Award (SDGs Partnership Award) at the 4th Japan SDGs Award at the Prime Minister's office.

The organizer of the award is the SDGs Promotion Headquarters (Head: Prime Minister, Co-head: Chief Cabinet Secretary and Foreign Minister) and they reward companies and organizations which have made excellent efforts toward setting sustainable development goals (SDGs).

In announcing our nomination, we would like to thank everyone who has supported us throughout these years.

Source: Official Website of the Prime Minister of Japan and His Cabinet



Chief Cabinet Secretary
Katsunobu Kato

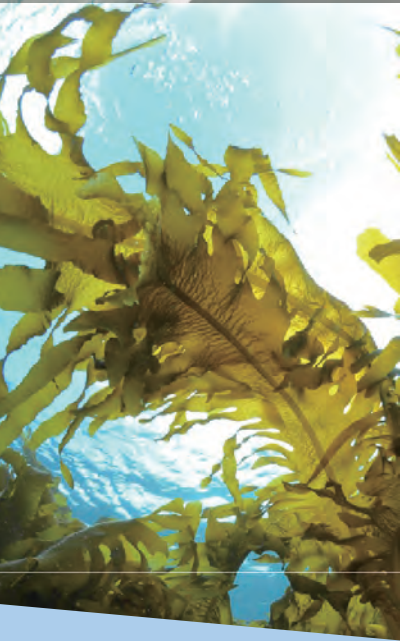
CEO of KIMICA
Fumiyoshi Kasahara

Prime Minister
Yoshihide Suga

Foreign Minister
Toshimitsu Motegi



Founder
Fumio Kasahara



Words of Appreciation and Gratitude

Our founder, Fumio Kasahara, noticed discarded seaweed that had drifted onto the beach and made it a goal to make effective use of this seaweed. He successfully extracted alginate, a dietary fiber, from the seaweed, and developed a manufacturing method that uses the minimum possible amount of electricity and heat. He also was successful in the industrialization of byproducts (seaweed residue after extraction of alginate) by finding effective uses such as feed and fertilizer.

80 years from then, we have led the industry as the global pioneer and continue to develop new and innovative applications of alginate. Alginate is now widely used in a variety of fields such as food, medicine, and cosmetics, and it has become an indispensable material to maintain people's health and rich life.

In Chile, we set up a local seaweed processing storage site which contributes to preventing the overexploitation of seaweed, stable procurement, and the stable life of the fishermen. In addition to a roof with solar panels, we have also started working on viticulture using the seaweed residue as fertilizer.

In terms of SDGs, the Japan SDGs Award is the most honorable award possible. Being named "an international role model" by the Japanese government was so honorable because it acknowledged our efforts we have been making since the founding of the company to find solutions towards sustainability issues.

90% of Japanese companies are small or medium sized enterprises (SMEs). Because of this, the efforts by SMEs are extremely important when it comes to achieving the SDGs in Japan. We will continue our efforts to further promote the SDGs and expand the range of initiatives.

President & CEO
Fumiyoshi Kasahara

"Success due to the Call to Action and Gathering of Wisdom"

Congratulations on winning the 4th Japan SDGs Award. I would like to express our respect for the efforts of all the members of the SDGs Promotion Headquarters.

I was very impressed with the initiatives of all applicants and award receivers. This success is the result of the gathering of wisdom of various people and call to action. In a decade of action, this year is the first year towards achieving the Sustainable Development Goals. In creating a new post COVID-19 society that is supported by the virtuous cycle of the economy and the environment that I aim for, it is imperative that we keep up the efforts.

I would like to congratulate you on your efforts, hoping that more people will work together as one, and the efforts to achieve the goals will be further accelerated.



Source: Official Website of the Prime Minister of Japan and His Cabinet

Prime Minister
Yoshihide Suga



KIMICA's efforts to contribute to the achievement of SDGs

Since our foundation in 1941, seaweed has been the most critical material for our production. We have faced threats of seaweed shortages many times. For example, the El Nino phenomenon severely damaged the seaweed ecosystem, and reckless fishing by the careless vendors destroyed the seaweed ecosystem. We have also observed that the large fluctuations in the price of marine algae, caused by changes in supply and demand, lead to unstable livelihoods of fishermen. Based on these experiences, we have recognized that seaweed resources conservation and local fishermen's livelihoods stabilization are the most important aspects of continuing our business. As one of the world's largest alginate manufacturers, we will continue to fulfill our supply responsibilities and social responsibilities through the following activities.



Improve Standard of Living



Reduce Environmental Impact

The price of marine algae rises and falls significantly due to changes in the supply-demand. As a result, Chilean fishermen have been forced to live an unstable lives. Kimica is investing in two local seaweed collection companies to continuously purchase seaweeds from the fishermen despite the market conditions. This purchasing policy not only curbs speculative overexploitation of seaweeds but also stabilizes the income of fishermen, significantly improving their living standards.

In recent years, water shortages due to reduced rainfall have become a social problem in Paine City, where the plant is located. The impact is problematic for locals who rely on well water for drinking and domestic use. Kimica built a tank and is currently providing free drinking water to residents.

To contribute to the security and safety of local communities, we, in cooperation with the Japanese embassy, donated an ambulance and a fire engine to the city of Paine. We also comply with international child labor laws and confirm that children are not mobilized to collect seaweed.

In our manufacturing process, environmental considerations are incorporated in various places, for example, raw materials. Raw seaweeds are susceptible to rot and must be dried. Seaweeds are dried and stored without electricity in the arid belt in northern Chile, which faces the Atacama Desert. In the process of separating alginic acid from seaweed extract, no electric power and no filtering agent are used. Instead, the process involves levitation and sedimentation separation methods using the difference in specific gravity. This eco-manufacturing method was invented from the unique idea of our founder who insisted, "Don't waste resources."

The Chiba Plant has 888 solar panels (1424 square meters). The Chilean Plant has a large green space and is also taking on the challenge of growing grapes for wine. In addition, we are actively working to coexist with the environment by introducing new air compressors with low environmental impact and promoting the use of LEDs for lighting.



Use Materials Effectively



Protect Living Marine Resources

Seaweed grows in oceans all around the world purifying seawater by absorbing carbon dioxide (CO2) through photosynthesis. It forms underwater forests and serves as spawning sites for fish and forms a protective cradle around fry. Unfortunately, mature seaweed eventually detaches from the reef, drifts away as sea garbage, decays, and eventually releases the CO2.

Since our founding, Kimica has been working to establish practical methods of producing dietary fiber, "Alginic Acid" from seaweed and to develop various applications that effectively utilize seaweed after it is discarded but before it decays and loses all its potential.

Though it is easier to harvest wild and fresh seaweed by sweeping it up with large vessels, Kimica has chosen to manually collect the discarded seaweed from beaches to preserve the natural environment. Despite being more laborious, Kimica is committed to the sustainability of the seaweed industry for generations to come.

The seaweed residue after extraction of alginic acid is a good soil conditioner containing abundant minerals. Kimica provides fertilizer, produced from the byproduct of the alginate refining process to farmers in Paine at close to no cost.

Since the 1980s, we expanded from Japan into Chile and worked with local fishermen to prevent overexploitation of seaweed. For example, as a member of the Chilean Seaweed Industry Association, we are cooperating in various research activities on marine resources. The research results are reported to the Chilean Fisheries Competent Authority and utilized to develop a legal system for the conservation of marine algae resources. Through affiliated companies in Chile, we have also supported the cultivation of marine algae along the Chilean coast. Our policy of building local bases and purchasing seaweeds continuously and stably not only curbed speculative seaweed overexploitation but also stabilized the income of fishermen and dramatically improved their living standards.

Our Other Actions



Check out our website for more information

Scan QR code to access

<https://www.kimica.jp/csr/>

What is the SDGs?

The 17 goals to be achieved by 2030 to ensure that all people in the world enjoy peace and prosperity.

The 2030 Agenda for Sustainable Development (the 2030 Agenda) is a set of international development goals from 2016 to 2030, which was adopted by the UN Sustainable Development Summit held in September 2015 building on the success of Millennium Development Goals (MDGs).

The 2030 Agenda listed “Sustainable Development Goals” consisting of 17 goals and 169 targets in order to eradicate poverty and realize a sustainable world. The SDGs are universal goals applicable, not only to developing countries but also developed countries, and pledge “Leave no one behind.” through the implementation process.

Japan makes utmost efforts to implement the 2030 Agenda with international community based on the concept of human security.

In September 2019, Heads of State and Government gathered at the United Nations Headquarters in New York to follow up and comprehensively review progress in the implementation of the 2030 Agenda and the SDGs.

The SDG Summit resulted in the adoption of the Political Declaration, “Gearing up for

a decade of action and delivery for sustainable development”. World leaders called for a decade of action to deliver the SDGs by 2030 and announced actions they are taking to advance the agenda. The General Assembly endorsed the Political Declaration on 15 October 2019. More than 100 acceleration actions have been announced.

About the Japan SDGs Award

At the SDGs Promotion Headquarters meeting in 2017, Japan SDGs Award was established to promote a wide range of actions for sustainable development. This initiative is expected to lead to the accomplishment of the SDGs. The organizations eligible for the awards are selected from companies, local governments, and NGOs/NPOs that are making outstanding efforts on sustainable development. The SDGs Promotion Headquarters, headed by the Prime Minister and comprised of all ministers, determines award winners based on the opinions of a wide-range of stakeholders who have expertise in the SDGs.



In 1941, we opened a door to a new era of “seaweed chemistry”. For 80 years since then, we have taken pride and responsibility as the creator of alginate, and have continued to develop our products proudly. The aspiration of the company has not changed since its founding, and will never change. As we continue to develop alginate, we will strive to maintain the “people and earth friendly” lifestyle that our founding fathers have built over time.

In 2014, we established the world's first factory for low endotoxin (low pyrogen) alginate products available for direct injection into the human body, and started research on the medical applications of alginate. Our next goal is to save lives, protect health, and relieve pain through sustainable materials that have environmental, social, and economic value. We will continue our efforts to further promote the SDGs and expand the range of initiatives.



KIMICA group supports the Sustainable Development Goals



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