
Notice of Organizational Reform (As of April 1st, 2022)

- Changing Our Organizational Structure to Promote Our Three Transformations -

As of April 1, 2022, NIPPON SHOKUBAI CO., LTD. (Headquarters: Osaka, Japan, President: Yujiro Goto, hereinafter "Nippon Shokubai") will revise its organizational structure.

Under our long-term vision "TechnoAmenity for the future," our company is promoting three transformations: business transformation, strategic transformation for environmental initiatives, and organizational transformation. In order to promote these transformations quickly, we will make changes to our R&D organization, business sector planning organization, and DX promotion organization.

Overview of Major Organizational Changes

(1) Changes to R&D organization

We will make changes to our organization in order to expand our Solutions businesses and strengthen our R&D functions to achieve carbon neutrality.

- Establishment of new Corporate Research Division

We will reorganize our Innovation & Business Development Division and establish a new Corporate Research Division. By clarifying the functions of each division and collaborating with related divisions, we will focus on creating new businesses and core technologies.

The Research Center, Analysis Technology Center, and Intellectual Property Department will be established in the Corporate Research Division. In addition to coordinating with business sectors and Group companies, they will work to develop next-generation themes through co-creation with academia and various companies such as startups.

In the Innovation & Business Development Division, the three departments consisting of the New Business Development Department, New Business Commercialization Project, and Green Innovation Department will implement initiatives across the entire company to create new businesses and lead them quickly to commercialization. We recognize that digital transformation and major changes looking toward a recycling-based society will present new business opportunities, so we will contribute to solving social issues while integrating our company's strengths and the needs of the market (we have established a new group in the New Business Development Dept. involved with water and environment-related businesses).

- Reorganization of Health & Medical Business Development Office as Health & Medical Business Division

In the field of health and medicine, we have promoted business development for the contracted manufacturing and supply of middle-molecular APIs. However, in association with advancements

in the improvement of systems to respond to the needs of various customers, including contracted manufacturing facilities, we will reorganize our Health & Medical Business Development Office into the Health & Medical Business Division. Both the Health & Medical Business Division and the Cosmetics Business Division are organized at division-level , to further accelerate full-scale commercialization.

(2) **Changes to business sector planning organization**

Our company will make the following changes to our business sector planning organization, in order to transform our portfolio content from existing fields to growth fields.

• **Establishment of new Business Planning Division**

A new Business Planning Division will be established to expand our Solutions businesses and strengthen our materials businesses. The Business Planning Division will be responsible for functions such as (1) planning and promoting business strategies, (2) collaborating with Group companies and creating synergies, and (3) enhancing marketing capabilities. Three departments consisting of the Business Strategy Planning Department, Group Management and Project Planning Department, and Marketing Strategy Department will be established within this division.

• **Establishment of Business Planning & Development Departments in Solutions Divisions**

In order to further strengthen the planning, development, and marketing functions of our Solutions businesses, Business Planning & Development Departments will be established within the Industrial & Household Solutions Division and the Energy & Electronics Solutions Division, respectively. They will coordinate with divisions including the Business Planning Division and Innovation & Business Development Division, to strengthen activities for market development and solution development across the entire organization.

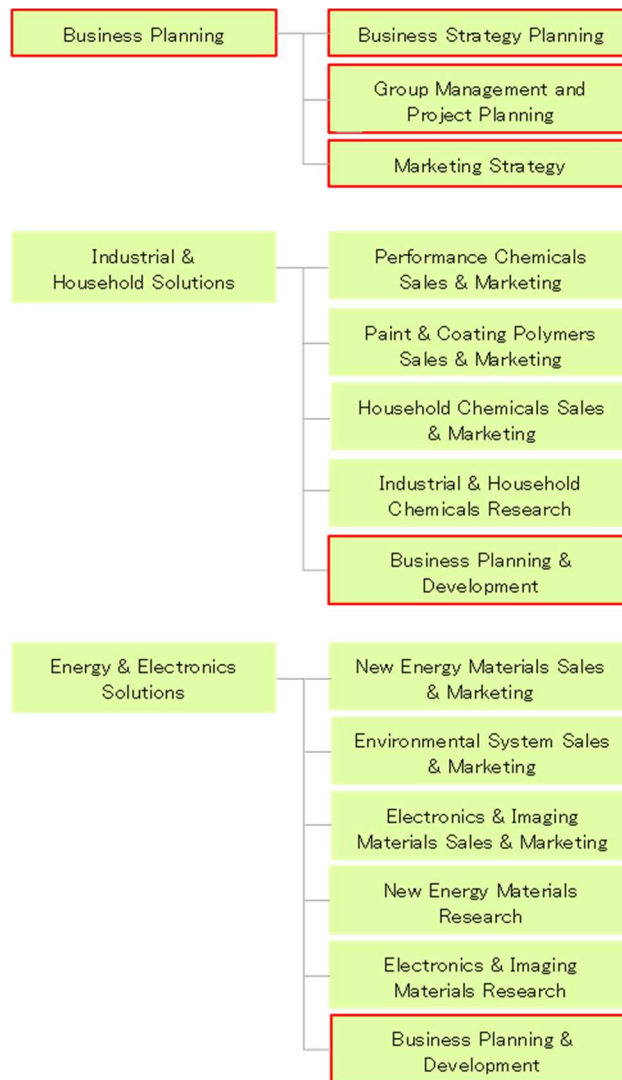


Figure 1. New Business Planning Division and Business Planning & Development Departments in Solutions Divisions (red-bordered items) [from April 1, 2022]

(3) Changes to DX promotion organization

In order to lead and support company-wide initiatives for digital transformation, the DX Promotion Team will be dissolved for the purpose of reform, and a new DX Promotion Division will be established. The DX Promotion Department, Information Technology Management Department, and ERP Innovation Project will be established under this division.

【Contacts】

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