

New Mid-term Management Plan (FY2022-FY2024)

~Aim to reach record-high earnings in FY2024~

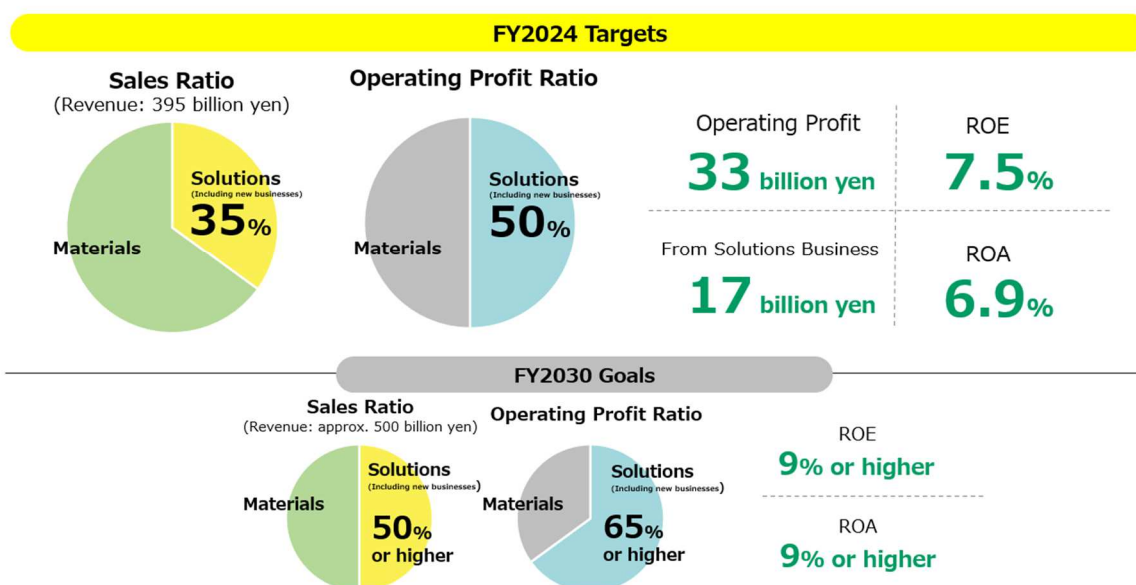
Nippon Shokubai Group formulated the new Mid-term Management Plan (FY2022-FY2024) based on the TechnoAmenity for the Future long-term vision announced in April 2021.

This new mid-term management plan defines the first three years of actions to solidify a foundation in each of our fields and spearhead various initiatives toward transformations that will accomplish our long-term vision for FY2030.

In a constantly changing business environment, the Nippon Shokubai Group will flexibly respond to the needs of society and enhance corporate value to realize the Nippon Shokubai Group Mission—TechnoAmenity: Providing prosperity and comfort to people and society, with our unique technology. The Group is unified in driving forward three specific transformations outlined by the long-term vision: **business transformation, strategic transformation for environmental initiatives, and organizational transformation.**

<Management Targets>

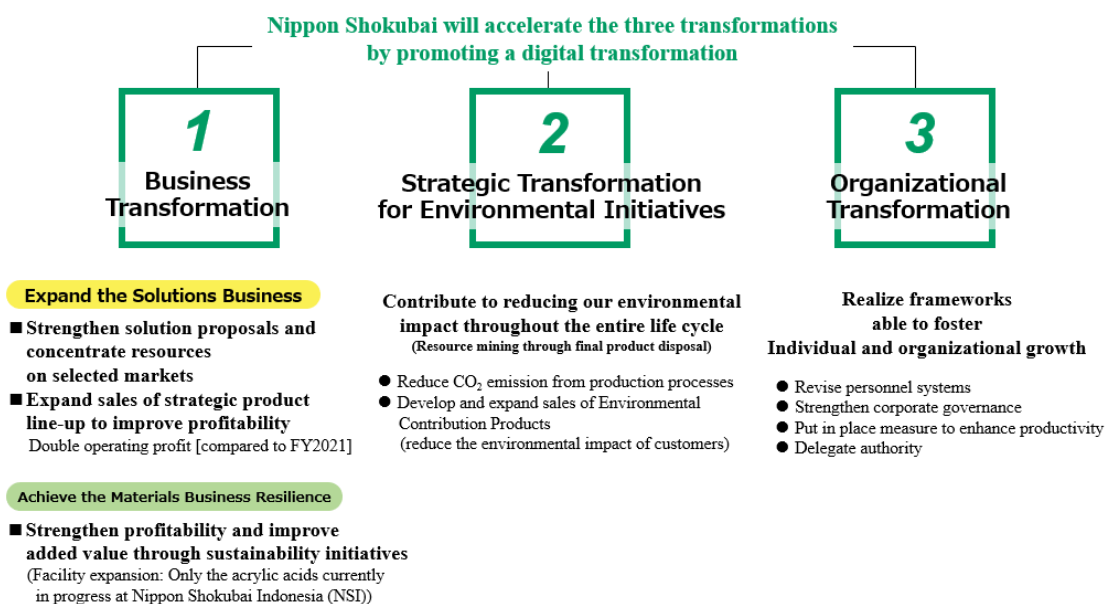
Expand the Solutions Business with the aim to reach record-high earnings in FY2024



		FY2021 Forecast	FY2024 Targets	FY2030 Goals
Financial targets	Operating profit	27 billion yen	33 billion yen	Approx. of 60 billion yen
	Solutions Business operating profit	8.5 billion yen	17 billion yen	Approx. of 40 billion yen
	ROE	6.6%	7.5%	9% or higher
	ROA	6.4%	6.9%	9% or higher
	Total shareholder return ratio	33.4%	50%	-
	New product Revenue (Non-consolidated, excluding new SAP products, and launched within five years)	10billion yen	28 billion yen	-
Investments	Growth investments and investments to remain competitive	-	120 billion yen (Cumulative total from FY2022 to FY2024)	400 billion yen (Cumulative total from FY2022 to FY2030)
Carbon neutral target	CO ₂ emission reductions (Scope 1 and Scope 2 emissions in Japan relative to FY 2014)	4% reduction (FY2020)	-	30% reduction
	Environmental Contribution Products Revenue	29 billion yen (FY2020)	55 billion yen	135 billion yen
Diversity and inclusion target (Non-consolidated)	Ratio of female recruitment in clerical and chemical position	21% (FY2020)	30%	-
	Ratio of female managers	4% (FY2020)	6%	-
	Ratio of male employees taking childcare leave	6% (FY2020)	30%	-

<Prerequisites> FY2021 Forecast: Naphtha: 55,700 yen/kL; USD: 112 yen; Euro: 130 yen
FY2024 Forecast: Naphtha: 50,000 yen/kL; USD: 110 yen; Euro: 130 yen

<Initiatives and Target through FY2024>



About NIPPON SHOKUBAI Co., Ltd.: Since 1941, Nippon Shokubai has grown up its business with unique catalyst technology. Nippon Shokubai has supplied, for example, ethylene oxide, acrylic acid, automobile catalysts, process catalysts and so on. Among all, our global market share of superabsorbent polymers is the largest in the world now (according to Nippon Shokubai research). Nippon Shokubai is a global chemical company operating under its corporate mission "TechnoAmenity – Providing prosperity and comfort to people and society, with our unique technology."

<https://www.shokubai.co.jp/en/>

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