

ESG Data Sheet

FY2020

[Aggregation Period]

April 1 – March 31 of each fiscal year, and March 31 of each fiscal year

[Last Updated]

March 31, 2022

Environment

[Scope of Data Aggregation]

"Nippon Shokubai"
 "Nippon Shokubai (Production Sites)"
 "Group Companies in Japan"

NIPPON SHOKUBAI CO., LTD.
 NIPPON SHOKUBAI CO., LTD. Himeji Plant / Kawasaki Plant
 NIPPOH CHEMICALS CO., LTD. / TOKYO FINE CHEMICAL CO., LTD. / CHUGOKU KAKO CO., LTD. /
 NIPPON POLYMER INDUSTRIES CO., LTD. / NISSHOKU TECHNO FINE CHEMICAL CO., LTD. /
 NIPPON NYUKAZAI CO., LTD. / Nisshoku Butsuryu Co., Ltd.
 Nippon Shokubai America Industries, Inc. / PT. NIPPON SHOKUBAI INDONESIA / NIPPON SHOKUBAI EUROPE N.V. /
 SINGAPORE ACRYLIC PTE LTD / NISSHOKU CHEMICAL INDUSTRY (ZHANGJIAGANG) CO., LTD. /
 SINO-JAPAN CHEMICAL CO., LTD.

"Group Companies outside Japan"

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Aspect	Classification		Scope	Unit	FY2016	FY2017	FY2018	FY2019	FY2020	
Prevention of global warming	Energy consumption (crude oil equivalent)		Nippon Shokubai	1,000 kL	196	195	198	191	197	
			Nippon Shokubai (Production Sites)		188	187	190	182	189	
			Group Companies in Japan		27	27	27	26	27	
			Group Companies outside Japan		86	86	91	89	85	
	Energy intensity		Nippon Shokubai (Production Sites)	L/tons-production volume	103	98	104	102	109	
	CO ₂ emissions	Scope 1 *1	Nippon Shokubai	1,000 tons-CO ₂	—	—	582	590	584	
			Group Companies in Japan		—	—	34	33	34	
			Group Companies outside Japan		—	—	154	165	164	
		Scope 2 *1	Nippon Shokubai	1,000 tons-CO ₂	—	—	180	141	143	
			Group Companies in Japan		—	—	29	27	25	
			Group Companies outside Japan		—	—	189	172	174	
		Scope 1 + 2 *2	Nippon Shokubai	1,000 tons-CO ₂	780	797	763	731	727	
			Group Companies in Japan		63	63	63	60	59	
			Group Companies outside Japan		315	302	344	337	337	
		Scope 3 (Category No.1-7, 12, 15) *3		Nippon Shokubai	1,000 tons-CO ₂	3,826	3,984	3,887	3,774	3,637
		CO ₂ emissions intensity		Nippon Shokubai (Production Sites)	tons/tons-production volume	0.417	0.411	0.407	0.402	0.411
Energy source CO ₂ emissions intensity		Nippon Shokubai (Production Sites)	tons/tons-production volume	0.204	0.194	0.199	0.192	0.205		
Amount of calculated leakage of fluorocarbons		Nippon Shokubai	tons-CO ₂	2,276	6,162	1,704	3,194	3,122		
Raw material	Purchased raw materials *1		Nippon Shokubai	1,000 tons	—	—	1,067	1,032	969	
Environmental conservation for logistics	CO ₂ emissions attributable to domestic logistics		Nippon Shokubai	1,000 tons-CO ₂	14.0	14.7	14.4	14.2	13.9	
	CO ₂ emissions intensity attributable to domestic logistics		Nippon Shokubai	kg-CO ₂ /1,000 ton-km	57.4	59.0	58.6	58.5	59.0	
Water (1)	Water withdrawal	Surface water (rivers, lakes, etc.) *1	Nippon Shokubai	million m ³	—	—	0.0	0.0	0.0	
			Group Companies in Japan		—	—	0.0	0.0	0.0	
			Group Companies outside Japan		—	—	0.0	0.0	0.0	
		Groundwater *1	Nippon Shokubai	million m ³	—	—	0.0	0.0	0.0	
			Group Companies in Japan		—	—	3.3	3.3	3.3	
			Group Companies outside Japan		—	—	0.0	0.0	0.0	
		Sea water *1	Nippon Shokubai	million m ³	—	—	0.0	0.0	0.0	
			Group Companies in Japan		—	—	0.0	0.0	0.0	
			Group Companies outside Japan		—	—	46.4	45.4	45.8	
		Third-Party sources (tap water, industrial water, etc.) *1	Nippon Shokubai	million m ³	—	—	15.0	14.9	14.7	
			Group Companies in Japan		—	—	2.6	2.6	2.7	
			Group Companies outside Japan		—	—	2.2	2.1	2.1	
		Total *4	Nippon Shokubai	million m ³	15.8	15.8	15.0	14.9	14.7	
			Group Companies in Japan		5.3	5.6	5.8	5.9	6.0 ^{*5}	
			Group Companies outside Japan		47.1	46.5	48.6 ^{*5}	47.4	47.9	
Water Stress sites *1*6		Global	numbers	—	—	0	0	0		
Consumption in water-stressed regions *1		Global	million m ³	—	—	0.0	0.0	0.0		

**Environment
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Aspect	Classification		Scope	Unit	FY2016	FY2017	FY2018	FY2019	FY2020
Water (2)	Water discharge	Surface water (rivers, lakes, etc.) *1	Nippon Shokubai	million m ³	—	—	0.0	0.0	0.0
			Group Companies in Japan		—	—	3.9	3.9	4.0
			Group Companies outside Japan		—	—	0.6	0.6	0.7
		Subsurface *1	Nippon Shokubai	million m ³	—	—	0.0	0.0	0.0
			Group Companies in Japan		—	—	0.0	0.0	0.0
			Group Companies outside Japan		—	—	0.0	0.0	0.0
		Ocean *1	Nippon Shokubai	million m ³	—	—	7.8	7.7	7.9
			Group Companies in Japan		—	—	1.6	1.6	1.7
			Group Companies outside Japan		—	—	46.4	45.4	45.8
		Third Party Dischargers (sewage, etc.) *1	Nippon Shokubai	million m ³	—	—	0.0	0.0	0.0
			Group Companies in Japan		—	—	0.1	0.1	0.1
			Group Companies outside Japan		—	—	0.2	0.2	0.2
		Total *7	Nippon Shokubai	million m ³	—	8.1	7.9	7.7	8.0
			Group Companies in Japan		—	5.4	5.5	5.6 ^{*5}	5.8 ^{*5}
			Group Companies outside Japan		—	45.8	47.2	46.1	46.6 ^{*5}
Prevention of air and water pollution	SOx emissions	Nippon Shokubai	tons	3.4	2.8	3.5	3.5	3.7	
		Group Companies in Japan		1.9	1.5	1.6	1.4	1.6	
	NOx emissions	Nippon Shokubai	tons	205	204	198	203	198	
		Group Companies in Japan		44	48	45	43	48	
	Dust emissions	Nippon Shokubai	tons	6.1	6.4	6.3	6.5	5.7	
		Group Companies in Japan		2.7	2.3	2.2	3.3	2.1	
	VOC emissions	Nippon Shokubai	tons	60	75	82	89	57	
	COD emissions	Nippon Shokubai	tons	51	54	55	50	50	
		Group Companies in Japan		34	45	53	60	61	
	Total phosphorous emissions	Nippon Shokubai	tons	2.8	2.8	2.9	2.7	2.5	
Total nitrogen emissions	Nippon Shokubai	tons	54	47	58	55	52		
Waste reduction	Quantity of off-site waste *8	Nippon Shokubai	1,000 tons	3.9	2.9	3.1	2.8	2.8	
		Group Companies in Japan		5.5	5.5	5.6	6.0	5.5	
		Group Companies outside Japan		2.7	0.9	2.6	0.7	1.6	
	Quantity of recycling	Nippon Shokubai	1,000 tons	40	40	40	34	34	
		Group Companies in Japan		2.2	2.3	2.6	2.2	2.3	
		Group Companies outside Japan		8.4	7.8	9.3	10.3	8.6	
	Quantity of final off-site landfill	Nippon Shokubai	tons	22	23	13	11	11	
		Group Companies in Japan		97	69	60	71	78	
		Group Companies outside Japan		302	296	255	240	376	
	Quantity of final off-site landfill / Total amount of waste generated *1 Objective: ≤0.1%	Nippon Shokubai	%	—	—	0.018	0.016	0.016	
Chemical management	Substances subject to the PRTR law	Nippon Shokubai	tons	98	97	96	79	83	
		Released into Atmosphere		42	48	47	41	38	
		Released into Water		55	49	49	37	45	
		Group Companies in Japan		34	37	39	35	34	
Environmental accounting	Environmental protection cost (Investment)	Nippon Shokubai	million yen	461	821	2,403	2,960	327	
	Environmental protection cost (Expense)	Nippon Shokubai		7,429	7,894	8,666	9,678	9,471	
	Economic effect resulting from environmental protection initiatives	Nippon Shokubai		4,292	5,346	2,649	2,577	2,484	
Violation of environmental laws and regulations	Fines and penalties for violations of environmental laws and regulations *1	Global	yen	—	—	0	0	0	

*1 Added new classification

*2 Previously listed as CO₂ emissions

*3 Previously listed as Scope 3 emissions (Category No. 1-7, 12, 15) Category No. 15 is not included until FY2017.

*4 Previously listed as Water withdrawal

*5 Fixed calculation errors

Environment
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*6 To conduct water risk assessments, we used the Aqueduct Water Risk Atlas of World Resources Institute (WRI).

*7 Previously listed as Water discharge

*8 The quantity of off-site waste emission is obtained by subtracting the quantity of on-site reduction, on-site recycling, on-site landfill and off-site recycling from the quantity of waste generated.

Social

[Scope of Data Aggregation]

"Nippon Shokubai"

"Consolidated"

NIPPON SHOKUBAI CO., LTD.

NIPPON SHOKUBAI CO., LTD. and its consolidated subsidiaries

(1/2)

Aspect	Classification	Scope	Unit	FY2016	FY2017	FY2018	FY2019	FY2020
Employees	Number of employees	Number of employees	Consolidated	4,161	4,219	4,454	4,510	4,555
		Number of employees	Nippon Shokubai	2,207	2,253	2,306	2,353	2,391
		Male	Nippon Shokubai	2,022	2,069	2,114	2,156	2,185
		Female	Nippon Shokubai	185	184	192	197	206
		Percentage of female	Nippon Shokubai	8.4	8.2	8.3	8.4	8.6
	Number of managers	Number of managers	Nippon Shokubai	516	521	530	548	568
		Male	Nippon Shokubai	506	509	514	530	545
		Female	Nippon Shokubai	10	12	16	18	23
		Percentage of female	Nippon Shokubai	1.9	2.3	3.0	3.3	4.0
	Average age		Nippon Shokubai	37.9	37.8	38.0	38.3	38.5
	Length of service	Average length of service	Nippon Shokubai	16.1	16.0	16.1	16.2	16.4
		Male	Nippon Shokubai	16.2	16.1	16.3	16.4	16.6
		Female	Nippon Shokubai	14.1	14.4	13.8	14.4	14.8
	Participation rate of labor union *1		Nippon Shokubai	68.4	68.8	69.7	69.4	69.9
Employment	Number of hires	Number of new graduate hires (College graduate)	Nippon Shokubai	39	44	44	45	46
		Male	Nippon Shokubai	35	38	38	39	40
		Female	Nippon Shokubai	4	6	6	6	6
		Percentage of female	Nippon Shokubai	10.3	13.6	13.6	13.3	13.0
		Number of mid-career hires	Nippon Shokubai	8	9	13	16	13
		Male	Nippon Shokubai	6	8	7	14	12
		Female	Nippon Shokubai	2	1	6	2	1
		Percentage of female	Nippon Shokubai	25.0	11.1	46.2	12.5	7.7
	Number of foreign national employees		Nippon Shokubai	5	5	5	4	4
	Employment rate of persons with disabilities		Nippon Shokubai	2.0	2.2	2.0	2.2	2.3
	Re-employment	Re-employment rate of retired employees	Nippon Shokubai	81.6	83.9	85.7	87.0	89.0
	Turnover/Layoff	Turnover rate of regular employees (Personal reason)	Nippon Shokubai	1.5	1.4	1.6	1.4	1.8
Work-Life Balance	Child Care	Number of employees using child care leave (Total numbers for fiscal year)	Nippon Shokubai	25	24	21	23	28
		Male	Nippon Shokubai	3	2	2	3	7
		Female	Nippon Shokubai	22	22	19	20	21
		Number of employees using reduced working hours system for child care	Nippon Shokubai	26	29	27	29	27
		Return rate from child care leave of absence	Nippon Shokubai	100	100	100	97	100
	Nursing Care	Number of employees using nursing care leave and personal reasons of absence	Nippon Shokubai	0	0	1	1	1
	Paid leave	Average annual paid leave acquisition days per employee (Labor union member)	Nippon Shokubai	12.7	12.3	13.4	13.0	12.6
		Rate of taking annual paid leave (Labor union member)	Nippon Shokubai	67.4	66.1	71.6	69.0	67.2
		Average annual paid leave acquisition days per employee (Management)	Nippon Shokubai	—	9.8	11.4	10.9	10.5
		Rate of taking annual paid leave (Management)	Nippon Shokubai	—	49.1	57.1	54.5	52.4
		Average annual paid leave acquisition days per employee (All)	Nippon Shokubai	—	11.5	12.9	12.5	12.2
		Rate of taking annual paid leave (All)	Nippon Shokubai	—	60.7	68.1	65.6	63.8
	Working hours	Average overtime hours (Hours/Month)	Nippon Shokubai	16.4	16.1	15.8	15.4	15.3

**Social
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Aspect	Classification		Scope	Unit	FY2016	FY2017	FY2018	FY2019	FY2020
Human right	Number of Child Labor and Force Labor		Consolidated	numbers	0	0	0	0	0
Human resources development	Training	Total number of hours spent on employee's training	Nippon Shokubai	hours	—	53,450	57,458	55,783	49,623
		Training time per employee	Nippon Shokubai		—	23.7	24.9	23.7	20.8
Occupational safety and health	Number of injuries with loss of workdays	Nippon Shokubai	numbers	1	1	2	2	1	
		Contractors		1	3	1	1	3	
	Frequency of injuries with loss of workdays	Nippon Shokubai	—	0.28	0.27	0.54	0.54	0.27	
		Contractors		0.33	1.04	0.34	0.32	1.04	
	Number of fatal accidents	Nippon Shokubai	numbers	0	0	0	0	0	
		Contractors		0	0	0	0	0	
	Ratio of plants with ISO 45001 (management systems of occupational health and safety) *2*3	Consolidated	%	—	—	—	—	38	
Number of participants in company-wide RC training including safety *2	Nippon Shokubai	persons	—	—	—	—	181		
Social contribution	Expense	Amount paid for activities on social contributions	Nippon Shokubai	million yen	118	100	124	126	161
		Donation	Nippon Shokubai		57	42	54	54	95
		Expenditure for other activities on social contributions *4	Nippon Shokubai		61	58	70	72	66
	Volunteer activity	Number of participants for "Japan-China Friendship Forest Development and Global Warming Prevention"	Nippon Shokubai	persons	17	5*5	5*5	3*5	0*6
		Number of participants for "Contributing to Our Forests and Water Resources"	Nippon Shokubai		236	257	193	175	11*6
		Number of participants for "Contributing to the 'Yugawara Myriad Leaves Forest'"	Nippon Shokubai		150	151	103	56	0*6
		Number of participants for "Japan-Indonesia Friendship Forest of Banten Bay for Biodiversity Preservation"	Nippon Shokubai PT. Nippon Shokubai Indonesia		—	—	58	60	5*6
Compliance	Number of participants in the training for new employees, new middle level employees and new managers regarding compliance		Nippon Shokubai	persons	179	181	183	186	219
	Number of internal reporting		Nippon Shokubai	numbers	2	1	3	4	0
Compliance with laws and regulations	Number of violations for "For Compliance with Anti Bribery Laws in Nippon Shokubai Group's Code of Conduct"		Consolidated	numbers	0	0	0	0	0
	Fine and penalty for bribery		Consolidated	yen	0	0	0	0	0
	Number of violations for "For Compliance with Competition Laws in Nippon Shokubai Group's Code of Conduct"		Consolidated	numbers	0	0	0	0	0
	Significant violations of laws or regulations in the social and economic area besides those mentioned above *2		Consolidated	numbers	0	0	0	0	0
Contribution	Political Contribution		Nippon Shokubai	yen	0	0	0	0	0

*1 All applicable employees join the labor union based on the Union Shop Agreement.

*2 Added new classification

*3 Ratio at manufacturing sites

*4 Expenditure for Volunteer activity, Facilities offering, Other

*5 The secretariat and NPO members performed maintenance work.

*6 Volunteer activities by employees have been suspended to prevent infection from spreading of COVID-19.
To the extent possible, we carried out activities such as on-site visits with NGO/NPO and check the report.

Corporate Governance

[Scope of Data Aggregation]

"Nippon Shokubai"

NIPPON SHOKUBAI CO., LTD.

"Consolidated"

NIPPON SHOKUBAI CO., LTD., its subsidiaries and its affiliates

Aspect	Classification		Scope	Unit	FY2016	FY2017	FY2018	FY2019	FY2020
Related information for management	Number of Members of the Board	Members of the Board (incl. Outside Members of the Board)	Nippon Shokubai	persons	9	9	9	9	8
		Outside Members of the Board	Nippon Shokubai		3	3	3	3	3
	Number of Members of Auditors Meeting	Statutory Corporate Auditors (incl. External Statutory Corporate Auditors)	Nippon Shokubai	persons	4	4	4	4	4
		External Statutory Corporate Auditors	Nippon Shokubai		2	2	2	2	2
	Outside Officers composition ratio of the Nominating and Remuneration Committee *1		Nippon Shokubai	%	66.7	66.7	66.7	66.7	66.7
	Remuneration of Members of the Board (except Outside Members of the Board)		Nippon Shokubai	million yen	364	391	380	334	196
	Remuneration of Statutory Corporate Auditors (except External Statutory Corporate Auditors)		Nippon Shokubai		46	48	48	47	47
	Remuneration of Outside Officers (except External Statutory Corporate Auditors)		Nippon Shokubai		32	36	35	34	35
Shareholder	Voting rights for Bonus for Member of the Board		Nippon Shokubai	voting rights	Yes	Yes	Yes	Yes	—
	Dividend	Interim	Nippon Shokubai	yen	75	75	80	90	45
		Annual	Nippon Shokubai		150	160	170	180	90
	Dividend Payout Ratio	Japanese GAAP	Consolidated	%	31.4	26.3	—	—	—
		IFRS *2	Consolidated		—	28.2	28.4	64.7	—

*1 The Nominating and Compensation Committee was established in 2016.

*2 The Group has prepared its consolidated financial statements in accordance with the International Financial Reporting from FY2018 (Date of transition: April 1, 2017).

[Updated Contents]

July 2, 2021

Released FY2020 data

Fixed errors

Environment > Water > Water discharge > Group Companies in Japan > FY2019

Environment > Chemical management > Substances subject to the PRTR law > Nippon Shokubai > FY2019

October 11, 2021

Added new contents

Social > Occupational safety and health > Frequency of injuries with loss of workdays > Contractors

Social > Occupational safety and health > Number of fatal accidents

Social > Social contribution > Expense > Expenditure for other activities on social contributions

Social > Compliance with laws and regulations > Significant violations of laws or regulations in the social and economic area besides those mentioned above

Fixed errors

Environment > Prevention of global warming > CO₂ emissions > Nippon Shokubai > FY2020

Environment > Prevention of global warming > CO₂ emissions > Group Companies outside Japan > FY2016-FY2019

March 31, 2022

Added new contents

Environment > Prevention of global warming > CO₂ emissions > Scope 1, Scope 2

Environment > Raw material > Purchased raw materials

Environment > Water > Water withdrawal > Surface water, Groundwater, Sea water, Third-Party sources, Water Stress sites, Consumption in water-stressed regions

Environment > Water > Water discharge > Surface water, Subsurface, Ocean, Third Party Dischargers

Environment > Waste reduction > Quantity of final off-site landfill / Total amount of waste generated

Environment > Violation of environmental laws and regulations > Fines and penalties for violations of environmental laws and regulations

Social > Occupational safety and health > Ratio of plants with ISO 45001, Number of participants in company-wide RC training including safety

Fixed errors

Environment > Water > Water withdrawal > Group Companies in Japan > FY2020

Environment > Water > Water withdrawal > Group Companies outside Japan > FY2018

Environment > Water > Water discharge > Group Companies in Japan > FY2019, FY2020

Environment > Water > Water discharge > Group Companies outside Japan > FY2020