

January 5, 2023
Kazuhiro Noda
President & CEO
NIPPON SHOKUBAI CO., LTD.

New Year's Message

Happy New Year!

Last year saw continual dramatic changes, starting with the resurgent COVID-19 pandemic and Russia's invasion of Ukraine, followed by a surge in raw material and fuel prices, a weaker yen, rising inflation and an economic slowdown. Under these circumstances, our group launched a new mid-term management plan, "TechnoAmenity for the future-I", in April last year.

Based on the action plan for the three transformations outlined in the mid-term management plan, namely "Business Transformation", "Strategic Transformation for Environmental Initiatives", and "Organizational Transformation", we implemented various initiatives, including agreement on investment in a Chinese company for IONEL, an electrolyte for lithium-ion batteries, accelerating development of Environmental Contribution Products, and revising our personnel system. However, I believe that the speed of change is still insufficient. Particularly we need to make steady progress in strengthening the Materials Business and expanding the Solutions Business.

In the Materials Business, we will promote various projects which increase the profitability of each product as well as promote biomass feedstock and recycling initiatives. Moreover, amid of industry reorganization, we will determine our position and reinforce our business.

In the Solutions Business, we need to grow our strategic product offerings with an even greater urgency. While promoting business expansion through incorporating market requirements, related divisions will work closely together to deliver rapid commercialization of development projects.

We will also promote digital transformation (DX) to improve productivity and safety, accelerate the development of new products, and improve the speed of customer response.

In today's changing times, we need to change quickly and flexibly. This year, I want to move forward with change with even more speed and make quick decisions about what needs to be decided.

While the business environment continues to change, the broader pursuit of sustainability and decarbonization will remain unchanged. At the same time, we also need to strike a balance with economic efficiency. The question is how to respond to environmental concerns in a way that is beneficial to the business and does not affect profitability. Driven by our Group Mission of "TechnoAmenity-Providing prosperity and comfort to people and society, with our unique technology," Nippon Shokubai Group will continue to promote commercialization of environmentally-friendly products and by doing so strengthen our corporate structure.

I wish you all the best in the new year.

【Contact】

Corporate Communications Dept.,

NIPPON SHOKUBAI CO., LTD.

TEL: +81-3-3506-7605 E-mail: shokubai@shokubai.co.jp