



# ESG Data Sheet

## FY2022

**[Aggregation Period]**

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

**[Last Updated]**

September 25th, 2023

## Environment

## [Scope of Data Aggregation]

|   |   |
|---|---|
| "Nippon Shokubai"                       | NIPPON SHOKUBAI CO., LTD.   |
| "Nippon Shokubai (manufacturing sites)" | Manufacturing sites of NIPPON SHOKUBAI CO., LTD. (Himeji Plant / Kawasaki Plant)  |
| "Group companies in Japan"              | 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. |
| "Group companies outside Japan"         | 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.      |
| "Nippon Shokubai Group"                 | The above Nippon Shokubai, Group companies in Japan, and Group companies outside Japan  |
| "Nippon Shokubai Group in Japan"        | The above Nippon Shokubai and Group companies in Japan  |

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| Aspect                       | Classification   |  | Scope   | Unit                         | FY2018              | FY2019              | FY2020              | FY2021              | FY2022                |
|------------------------------|--|--|---|------------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
| Prevention of global warming | Energy consumption   | Nippon Shokubai Group  | 1,000 kL (crude oil equivalent)                 |                              | 316                 | 306                 | 309                 | 299                 | 309                   |
|                              |  |  | GWh   |                              | 2,455               | 2,431               | 2,443               | 2,406               | 2,536 <sup>*1</sup>   |
|                              |  |  |   |                              | 198                 | 191                 | 197                 | 184                 | 187                   |
|                              |  |  |   |                              | 190                 | 182                 | 189                 | 175                 | 179                   |
|                              |  |  |   |                              | 27                  | 26                  | 27                  | 28                  | 27                    |
|                              |  | Nippon Shokubai (manufacturing sites)<br>Group companies in Japan<br>Group companies outside Japan |   |                              | 91                  | 89                  | 85                  | 88                  | 96                    |
|                              |  |  |   |                              |                     |                     |                     |                     |                       |
|                              |  |  |   |                              |                     |                     |                     |                     |                       |
|                              |  |  |   |                              |                     |                     |                     |                     |                       |
|                              |  |  |   |                              |                     |                     |                     |                     |                       |
|                              | Energy intensity   | Nippon Shokubai (manufacturing sites)  | L/tons-production volume (crude oil equivalent) |                              | 104                 | 102                 | 109                 | 98                  | 111                   |
|                              |  |  |   |                              |                     |                     |                     |                     |                       |
|                              | GHG emissions *2   | Scope 1+2 *3*4   | Nippon Shokubai Group                           |                              | 1,196               | 1,150               | 1,145               | 1,173               | 1,087 <sup>*1*5</sup> |
|                              |  |  | Nippon Shokubai                                 |                              | 784                 | 748                 | 739                 | 755                 | 654 <sup>*1*5</sup>   |
|                              |  |  | Group companies in Japan                        | 1,000 tons-CO <sub>2</sub> e | 68                  | 64                  | 68                  | 70                  | 68                    |
|                              |  |  | Group companies outside Japan                   |                              | 344                 | 338                 | 338                 | 349                 | 364                   |
|                              |  | Scope 1 *3*4   | Nippon Shokubai Group                           |                              | 798                 | 809                 | 803                 | 839                 | 727 <sup>*1*5</sup>   |
|                              |  |  | Nippon Shokubai                                 |                              | 604                 | 607                 | 596                 | 627                 | 521 <sup>*1*5</sup>   |
|                              |  |  | Group companies in Japan                        | 1,000 tons-CO <sub>2</sub> e | 39                  | 37                  | 43                  | 45                  | 44                    |
|                              |  |  | Group companies outside Japan                   |                              | 154                 | 165                 | 164                 | 168                 | 161                   |
|                              |  | Scope 2  | Nippon Shokubai Group                           |                              | 398                 | 341                 | 343                 | 334                 | 360                   |
|                              |  |  | Nippon Shokubai                                 |                              | 180                 | 141                 | 143                 | 128                 | 133                   |
|                              |  |  | Group companies in Japan                        | 1,000 tons-CO <sub>2</sub>   | 29                  | 27                  | 25                  | 25                  | 24                    |
|                              |  |  | Group companies outside Japan                   |                              | 189                 | 173                 | 174                 | 181                 | 203                   |
|                              |  | Scope 3  | Nippon Shokubai                                 |                              | 3,813 <sup>*4</sup> | 3,701 <sup>*4</sup> | 3,567 <sup>*4</sup> | 3,783 <sup>*4</sup> | 3,405                 |
|                              |  | Cat. 1: Purchased goods and services *6  |   |                              | 1,556               | 1,510               | 1,445               | 1,522               | 1,370                 |
|                              |  | Cat. 2: Capital goods *6   |   |                              | 31                  | 37                  | 55                  | 44                  | 43                    |
|                              |  | Cat. 3: Fuel- and energy-related activities not included in Scope 1 or Scope 2 *6                  |   |                              | 61                  | 63                  | 85                  | 83                  | 89                    |
|                              |  | Cat. 4: Upstream transportation and distribution *6  |   |                              | 14                  | 14                  | 14                  | 15                  | 13                    |
|                              |  | Cat. 5: Waste generated in operations *6   |   |                              | 7                   | 7                   | 7                   | 8                   | 5                     |
|                              |  | Cat. 6: Business travel *6   |   |                              | 0                   | 0                   | 0                   | 0                   | 0                     |
|                              |  | Cat. 7: Employee commuting *6  |   |                              | 1                   | 1                   | 1                   | 1                   | 1                     |
|                              |  | Cat. 8: Upstream leased assets *6  |   |                              | —                   | —                   | —                   | —                   | —                     |
|                              |  | Cat. 9: Downstream transportation and distribution *6  |   |                              | —                   | —                   | —                   | —                   | —                     |
|                              |  | Cat. 10: Processing of sold products *6  |   |                              | —                   | —                   | —                   | —                   | —                     |
|                              |  | Cat. 11: Use of sold products *6   |   |                              | —                   | —                   | —                   | —                   | —                     |
|                              |  | Cat. 12: End-of-life treatment of sold products *6   |   |                              | 2,142               | 2,068               | 1,961               | 2,111               | 1,884                 |
|                              |  | Cat. 13: Downstream leased assets *6   |   |                              | —                   | —                   | —                   | —                   | —                     |
|                              |  | Cat. 14: Franchises *6   |   |                              | —                   | —                   | —                   | —                   | —                     |
|                              |  | Cat. 15: Investments *6  |   |                              | —                   | —                   | —                   | —                   | —                     |
|                              | Estimated value of avoided emissions in the supply chain by Environmental Contribution Products *6 |  | Nippon Shokubai Group                           | 10,000 tons-CO <sub>2</sub>  | —                   | —                   | —                   | 104                 | 114                   |

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| Aspect                                   | Classification   |   | Scope                                 | Unit                                   | FY2018                 | FY2019 | FY2020 | FY2021 | FY2022 |     |
|--|--|---|---------------------------------------|--|------------------------|--------|--------|--------|--------|-----|
| Environmental conservation for logistics | CO <sub>2</sub> emissions attributable to domestic logistics           |   | Nippon Shokubai                       | 1,000 tons-CO <sub>2</sub>             | 14.4                   | 14.2   | 13.9   | 14.8   | 13.2   |     |
|  | CO <sub>2</sub> emissions intensity attributable to domestic logistics |   | Nippon Shokubai                       | kg-CO <sub>2</sub> /1,000 ton-km       | 58.6                   | 58.5   | 59.0   | 58.7   | 57.9   |     |
| Water                                    | Water withdrawal   | Surface water (rivers, lakes, etc.)                     | Nippon Shokubai Group                 | million m <sup>3</sup>                 | 0.0                    | 0.0    | 0.0    | 0.0    | 0.0    |     |
|  |  |   | Nippon Shokubai                       |  | 0.0                    | 0.0    | 0.0    | 0.0    | 0.0    |     |
|  |  |   | Group companies in Japan              |  | 0.0                    | 0.0    | 0.0    | 0.0    | 0.0    |     |
|  |  |   | Group companies outside Japan         |  | 0.0                    | 0.0    | 0.0    | 0.0    | 0.0    |     |
|  |  | Groundwater   | Nippon Shokubai Group                 | million m <sup>3</sup>                 | 3.3                    | 3.3    | 3.3    | 3.3    | 3.4    |     |
|  |  |   | Nippon Shokubai                       |  | 0.0                    | 0.0    | 0.0    | 0.0    | 0.0    |     |
|  |  |   | Group companies in Japan              |  | 3.3                    | 3.3    | 3.3    | 3.3    | 3.4    |     |
|  |  |   | Group companies outside Japan         |  | 0.0                    | 0.0    | 0.0    | 0.0    | 0.0    |     |
|  |  | Sea water   | Nippon Shokubai Group                 | million m <sup>3</sup>                 | 46.4                   | 45.4   | 45.8   | 17.1   | 0.0    |     |
|  |  |   | Nippon Shokubai                       |  | 0.0                    | 0.0    | 0.0    | 0.0    | 0.0    |     |
|  |  |   | Group companies in Japan              |  | 0.0                    | 0.0    | 0.0    | 0.0    | 0.0    |     |
|  |  |   | Group companies outside Japan         |  | 46.4                   | 45.4   | 45.8   | 17.1   | 0.0    |     |
|  |  | Third-Party sources (tap water, industrial water, etc.) | Nippon Shokubai Group                 | million m <sup>3</sup>                 | 19.7                   | 19.5   | 19.5   | 20.0   | 19.9   |     |
|  |  |   | Nippon Shokubai                       |  | 15.0                   | 14.9   | 14.6   | 14.8   | 14.4   |     |
|  |  |   | Group companies in Japan              |  | 2.6                    | 2.6    | 2.7    | 2.6    | 2.6    |     |
|  |  |   | Group companies outside Japan         |  | 2.2                    | 2.1    | 2.1    | 2.6    | 3.0    |     |
|  |  | Total   | Nippon Shokubai Group                 | million m <sup>3</sup>                 | 69.3                   | 68.2   | 68.6   | 40.5   | 23.3   |     |
|  |  |   | Nippon Shokubai                       |  | 15.0                   | 14.9   | 14.6   | 14.8   | 14.4   |     |
|  |  |   | Group companies in Japan              |  | 5.8                    | 5.9    | 6.0    | 6.0    | 6.0    |     |
|  |  |   | Group companies outside Japan         |  | 48.6                   | 47.4   | 47.9   | 19.8   | 3.0    |     |
|  |  | Water use intensity *6                                  | Nippon Shokubai (manufacturing sites) | m <sup>3</sup> /tons-production volume | —                      | —      | 8.45   | 8.26   | 8.96   |     |
|  |  | Water Stress sites *7                                   | Nippon Shokubai Group                 | numbers                                | 0                      | 0      | 0      | 0      | 0      |     |
|  |  | Consumption in water-stressed regions                   | Nippon Shokubai Group                 | million m <sup>3</sup>                 | 0.0                    | 0.0    | 0.0    | 0.0    | 0.0    |     |
|  | Water discharge  | Surface water (rivers, lakes, etc.)                     | Nippon Shokubai Group                 | million m <sup>3</sup>                 | 4.5                    | 4.5    | 4.6    | 4.7    | 4.8    |     |
|  |  |   | Nippon Shokubai                       |  | 0.0                    | 0.0    | 0.0    | 0.0    | 0.0    |     |
|  |  |   | Group companies in Japan              |  | 3.9                    | 3.9    | 4.0    | 4.0    | 4.0    |     |
|  |  |   | Group companies outside Japan         |  | 0.6                    | 0.6    | 0.7    | 0.7    | 0.8    |     |
|  |  | Subsurface  | Nippon Shokubai Group                 | million m <sup>3</sup>                 | 0.0                    | 0.0    | 0.0    | 0.0    | 0.0    |     |
|  |  |   | Nippon Shokubai                       |  | 0.0                    | 0.0    | 0.0    | 0.0    | 0.0    |     |
|  |  |   | Group companies in Japan              |  | 0.0                    | 0.0    | 0.0    | 0.0    | 0.0    |     |
|  |  |   | Group companies outside Japan         |  | 0.0                    | 0.0    | 0.0    | 0.0    | 0.0    |     |
|  |  | Ocean   | Nippon Shokubai Group                 | million m <sup>3</sup>                 | 55.8                   | 54.7   | 55.5   | 27.0   | 9.4    |     |
|  |  |   | Nippon Shokubai                       |  | 7.8                    | 7.7    | 7.9    | 8.1    | 7.7    |     |
|  |  |   | Group companies in Japan              |  | 1.6                    | 1.6    | 1.7    | 1.7    | 1.8    |     |
|  |  |   | Group companies outside Japan         |  | 46.4                   | 45.4   | 45.8   | 17.1   | 0.0    |     |
|  |  | Third Party Dischargers (sewage, etc.)                  | Nippon Shokubai Group                 | million m <sup>3</sup>                 | 0.3                    | 0.3    | 0.3    | 0.3    | 0.2    |     |
|  |  |   | Nippon Shokubai                       |  | 0.0                    | 0.0    | 0.0    | 0.0    | 0.0    |     |
|  |  |   | Group companies in Japan              |  | 0.1                    | 0.1    | 0.1    | 0.1    | 0.0    |     |
|  |  |   | Group companies outside Japan         |  | 0.2                    | 0.2    | 0.2    | 0.2    | 0.2    |     |
|  |  | Total   | Nippon Shokubai Group                 | million m <sup>3</sup>                 | 60.6                   | 59.5   | 60.4   | 32.0   | 14.5   |     |
|  |  |   | Nippon Shokubai                       |  | 7.9                    | 7.7    | 8.0    | 8.2    | 7.7    |     |
|  |  |   | Group companies in Japan              |  | 5.5                    | 5.6    | 5.8    | 5.8    | 5.8    |     |
|  |  |   | Group companies outside Japan         |  | 47.2                   | 46.1   | 46.6   | 18.0   | 1.0    |     |
|  |  | Water consumption *8                                    | Total                                 | Nippon Shokubai Group                  | million m <sup>3</sup> | 8.7    | 8.7    | 8.2    | 8.6    | 8.8 |
|  |  |   |                                       | Nippon Shokubai                        |                        | 7.1    | 7.1    | 6.7    | 6.6    | 6.7 |
|  |  |   |                                       | Group companies in Japan               |                        | 0.3    | 0.3    | 0.2    | 0.2    | 0.1 |
|  | Group companies outside Japan  |   |                                       | 1.4                                    |                        | 1.3    | 1.3    | 1.7    | 2.0    |     |
| Raw material                             | Purchased raw materials  |   | Nippon Shokubai                       | 1,000 tons                             | 1,067                  | 1,032  | 969    | 1,047  | 924    |     |

**Environment**  
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| Aspect                                | Classification  | Scope                            | Unit       | FY2018 | FY2019 | FY2020            | FY2021            | FY2022 |
|---------------------------------------|---|----------------------------------|------------|--------|--------|-------------------|-------------------|--------|
| Prevention of air and water pollution | SOx emissions   | Nippon Shokubai Group *4         | tons       | 9.9    | 9.9    | 8.6               | 7.9               | 8.6    |
|                                       |   | Nippon Shokubai                  |            | 3.5    | 3.5    | 3.7               | 3.1               | 3.0    |
|                                       |   | Group companies in Japan         |            | 1.6    | 1.4    | 1.6               | 1.4               | 0.7    |
|                                       |   | Group companies outside Japan *6 |            | 4.8    | 5.0    | 3.3               | 3.5               | 4.9    |
|                                       | NOx emissions   | Nippon Shokubai Group *4         | tons       | 283    | 313    | 307               | 328               | 308    |
|                                       |   | Nippon Shokubai                  |            | 198    | 203    | 198               | 196               | 186    |
|                                       |   | Group companies in Japan         |            | 45     | 43     | 48                | 72                | 52     |
|                                       |   | Group companies outside Japan *6 |            | 41     | 67     | 61                | 61                | 70     |
|                                       | Dust emissions  | Nippon Shokubai Group in Japan   | tons       | 8.6    | 9.8    | 7.8               | 9.4               | 8.0    |
|                                       |   | Nippon Shokubai                  |            | 6.3    | 6.5    | 5.7               | 7.4               | 6.0    |
|                                       |   | Group companies in Japan         |            | 2.2    | 3.3    | 2.1               | 2.1               | 1.9    |
|                                       | VOC emissions   | Nippon Shokubai                  | tons       | 82     | 89     | 57                | 59                | 62     |
|                                       | COD emissions   | Nippon Shokubai Group in Japan   | tons       | 108    | 110    | 111               | 110               | 116    |
|                                       |   | Nippon Shokubai                  |            | 55     | 50     | 50                | 56                | 45     |
|                                       |   | Group companies in Japan         |            | 53     | 60     | 61                | 55                | 72     |
|                                       | Total phosphorous   | Nippon Shokubai                  | tons       | 2.9    | 2.7    | 2.5               | 2.6               | 2.3    |
|                                       | Total nitrogen emissions  | Nippon Shokubai                  | tons       | 58     | 55     | 52                | 56                | 57     |
| Waste reduction                       | Quantity of off-site waste *9   | Nippon Shokubai Group            | 1,000 tons | 11.3   | 9.5    | 9.8               | 11.0              | 10.6   |
|                                       |   | Nippon Shokubai                  |            | 3.1    | 2.8    | 2.8               | 3.0               | 2.0    |
|                                       |   | Group companies in Japan         |            | 5.6    | 6.0    | 5.5               | 7.0               | 6.9    |
|                                       |   | Group companies outside Japan    |            | 2.6    | 0.7    | 1.6               | 0.9               | 1.6    |
|                                       | Quantity of recycling   | Nippon Shokubai Group            | 1,000 tons | 52     | 47     | 45                | 49                | 46     |
|                                       |   | Nippon Shokubai                  |            | 40     | 34     | 34                | 38                | 35     |
|                                       |   | Group companies in Japan         |            | 3      | 2      | 2                 | 2                 | 2      |
|                                       |   | Group companies outside Japan    |            | 9      | 10     | 9                 | 9                 | 9      |
|                                       | Quantity of final off-site landfill   | Nippon Shokubai Group            | tons       | 328    | 322    | 494               | 568               | 611    |
|                                       |   | Nippon Shokubai                  |            | 13     | 11     | 11                | 9                 | 9      |
|                                       |   | Group companies in Japan         |            | 60     | 71     | 108 <sup>*1</sup> | 118 <sup>*1</sup> | 82     |
|                                       |   | Group companies outside Japan    |            | 255    | 240    | 376               | 442               | 521    |
|                                       | Quantity of final off-site landfill / Total amount of waste generated<br>Objective: ≤0.1% | Nippon Shokubai                  | %          | 0.018  | 0.016  | 0.016             | 0.016             | 0.018  |
| Chemical management                   | Substances subject to the PRTR law *10  | Nippon Shokubai Group in Japan   | tons       | 135    | 113    | 117               | 121               | 112    |
|                                       |   | Nippon Shokubai                  |            | 96     | 79     | 83                | 86                | 81     |
|                                       |   | Released into atmosphere         |            | 47     | 41     | 38                | 40                | 37     |
|                                       |   | Released into water              |            | 49     | 37     | 45                | 46                | 45     |
|                                       |   | Group companies in Japan         |            | 39     | 35     | 34                | 35                | 30     |

**Environment**  
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| Aspect  | Classification  | Scope                 | Unit        | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 |
|---|---|-----------------------|-------------|--------|--------|--------|--------|--------|
| Environmental management *6                     | Ratio of plants with environmental management system (EMS) certification *11                      | Nippon Shokubai Group | %           | 100    | 100    | 100    | 100    | 100    |
| Environmental accounting                        | Environmental protection cost (Investment)  | Nippon Shokubai       | million yen | 2,403  | 2,960  | 327    | 105    | 88     |
|   | Environmental protection cost (Expense)   | Nippon Shokubai       | million yen | 8,666  | 9,678  | 9,471  | 9,508  | 9,382  |
|   | Economic effect resulting from environmental protection initiatives                               | Nippon Shokubai       | million yen | 2,649  | 2,577  | 2,484  | 6,722  | 5,881  |
| Violation of environmental laws and regulations | Number of significant fines and penalties for violations of environmental laws and regulations *2 | Nippon Shokubai Group | numbers     | 0      | 0      | 0      | 0      | 0      |

\*1 Fixed calculation errors

\*2 Revised disclosure method

\*3 Calculated based on the GHG Protocol and includes GHG emissions from non-energy sources not subject to calculation under the Act on Promotion of Global Warming Countermeasures.

\*4 Review some of the range of aggregation

\*5 Includes 61,000 tons-CO<sub>2</sub> offset from the purchase of carbon-neutral city gas.

\*6 Added new contents

\*7 To conduct water risk assessments, we used the Aqueduct Water Risk Atlas of World Resources Institute (WRI).

\*8 Water consumption is calculated by subtracting water discharge from water withdrawal.

\*9 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.

\*10 PRTR law: The official name is "Act on the Assessment of Releases of Specified Chemical Substances in the Environment and the Promotion of Management Improvement"

\*11 Ratio at manufacturing sites. EMS certification is ISO 14001 or EcoAction 21, Japan's own EMS established by the Ministry of the Environment.

## &lt;Scope 3 calculation method&gt;

Cat. 1: Calculated by multiplying physical volume data of products purchased or acquired by the company by emissions unit values for each product from the resource extraction stage to the manufacturing stage

Cat. 2: Calculated by multiplying the value of newly acquired fixed assets by the emissions intensity

Cat. 3: Calculated by multiplying physical volume data such as fuel, electricity, and heat purchased by the company by the emissions intensity from the resource extraction stage to the transportation stage

Cat. 4: Calculated by applying the calculation method for specified consignors under the calculation, reporting, and publication system

Cat. 5: Calculated by multiplying the outsourced amount by waste type and processing method by the emission intensity by waste type and processing method

Cat. 6: Calculated by multiplying the number of employees by the emissions intensity

Cat. 7: Calculated by multiplying the number of employees by work type and city class by the number of business days per year and the emissions intensity

Cat. 8: Only leases within the group, not applicable as they are calculated in scope 1 and 2 of group companies

Cat. 9: Not calculated due to difficulty in collecting data necessary for calculation

Cat. 10: Not calculated due to difficulty in collecting data necessary for calculation

Cat. 11: Not calculated due to difficulty in collecting data necessary for calculation

Cat. 12: Calculated by multiplying the sales volume of each product by the emission factor for each product (Products with a sales volume of 100 tons or more are covered. The coverage rate is 99% or more.)

Cat. 13: Only leases within the group, not applicable as they are calculated in scope 1 and 2 of group companies

Cat. 14: Not applicable because there is no applicable activity

Cat. 15: Not applicable as the company is not an investment company

## \*Database used

IDEA: National Institute of Advanced Industrial Science and Technology Safety Science Research Institute IDEA Lab

Ministry of the Environment DB: Emission intensity database for calculating greenhouse gas emissions, etc. of organizations through the supply chain (Ver.3.3 was used in 2022)

## Social

## [Scope of Data Aggregation]

"Nippon Shokubai"

NIPPON SHOKUBAI CO., LTD.

"Consolidated"

NIPPON SHOKUBAI CO., LTD. and its consolidated subsidiaries

"Group companies in Japan"

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 Group in Japan"

The above Nippon Shokubai and Group Companies in Japan

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| Aspect                               | Classification                               |  | Scope           | Unit         | FY2018             | FY2019             | FY2020             | FY2021             | FY2022                     |
|--------------------------------------|--|--|-----------------|--------------|--------------------|--------------------|--------------------|--------------------|----------------------------|
| Employees                            | Number of employees                          | Number of employees  | Consolidated    | persons      | 4,454              | 4,510              | 4,555              | 4,526              | 4,574                      |
|                                      |  | Number of employees  | Nippon Shokubai |              | 2,306              | 2,353              | 2,391              | 2,412              | 2,443                      |
|                                      |  | Male   | Nippon Shokubai |              | 2,114              | 2,156              | 2,185              | 2,197              | 2,206                      |
|                                      |  | Female   | Nippon Shokubai |              | 192                | 197                | 206                | 215                | 237                        |
|                                      |  | Percentage of female   | Nippon Shokubai | %            | 8.3                | 8.4                | 8.6                | 8.9                | 9.7                        |
|                                      |  | Percentage of mid-career hires to all employees *1                           | Nippon Shokubai | %            | 4.7                | 5.1                | 5.5                | 5.8                | 7.1                        |
|                                      | Number of managers                           | Number of managers   | Nippon Shokubai | persons      | 530                | 548                | 568                | 583                | 544 <sup>*2</sup><br>(575) |
|                                      |  | Male   | Nippon Shokubai |              | 514                | 530                | 545                | 559                | 520 <sup>*2</sup><br>(545) |
|                                      |  | Female   | Nippon Shokubai |              | 16                 | 18                 | 23                 | 24                 | 24 <sup>*2</sup><br>(30)   |
|                                      |  | Percentage of female   | Nippon Shokubai | %            | 3.0                | 3.3                | 4.0                | 4.1                | 4.4 <sup>*2</sup><br>(5.2) |
|                                      | Average age                                  |  | Nippon Shokubai | ages         | 38.0               | 38.3               | 38.5               | 38.7               | 38.8                       |
|                                      | Length of service                            | Average length of service  | Nippon Shokubai | years        | 16.1               | 16.2               | 16.4               | 16.5               | 16.4                       |
|                                      |  | Male   | Nippon Shokubai |              | 16.3               | 16.4               | 16.6               | 16.7               | 16.6                       |
|                                      |  | Female   | Nippon Shokubai |              | 13.8               | 14.4               | 14.8               | 14.7               | 14.0                       |
|                                      | Participation rate of labor union *3         |  | Nippon Shokubai | %            | 69.7               | 69.4               | 69.9               | 69.8               | 70.3                       |
| Employment and Diversity & Inclusion | Number of hires                              | Number of new graduate hires (College graduate)                              | Nippon Shokubai | persons      | 44                 | 45                 | 46                 | 50 <sup>*4</sup>   | 44                         |
|                                      |  | Male   | Nippon Shokubai |              | 38                 | 39                 | 40                 | 43 <sup>*4</sup>   | 35                         |
|                                      |  | Female   | Nippon Shokubai |              | 6                  | 6                  | 6                  | 7 <sup>*4</sup>    | 9                          |
|                                      |  | Percentage of female   | Nippon Shokubai | %            | 13.6               | 13.3               | 13.0               | 14.0 <sup>*4</sup> | 20.5                       |
|                                      |  | Number of mid-career hires   | Nippon Shokubai | persons      | 14 <sup>*5</sup>   | 17 <sup>*5</sup>   | 14 <sup>*5</sup>   | 15 <sup>*5</sup>   | 44                         |
|                                      |  | Male   | Nippon Shokubai |              | 7                  | 14                 | 12                 | 11                 | 32                         |
|                                      |  | Female   | Nippon Shokubai |              | 7 <sup>*5</sup>    | 3 <sup>*5</sup>    | 2 <sup>*5</sup>    | 4 <sup>*5</sup>    | 12                         |
|                                      |  | Percentage of female   | Nippon Shokubai | %            | 50.0 <sup>*5</sup> | 17.6 <sup>*5</sup> | 14.3 <sup>*5</sup> | 26.7 <sup>*5</sup> | 27.3                       |
|                                      |  | Percentage of mid-career hires to all new hires *1*6                         | Nippon Shokubai | %            | 12.1               | 14.7               | 12.4               | 13.3               | 34.4                       |
|                                      | Wage   | Average annual salary *1   | Nippon Shokubai | thousand yen | 7,972              | 8,103              | 7,661              | 7,598              | 7,826                      |
|                                      |  | Wage differences between male and female workers *1*7                        | Nippon Shokubai | %            | —                  | —                  | —                  | —                  | 82.8                       |
|                                      | Number of foreign national employees         |  | Nippon Shokubai | persons      | 5                  | 4                  | 4                  | 4                  | 4                          |
|                                      | Employment rate of persons with disabilities |  | Nippon Shokubai | %            | 2.0                | 2.2                | 2.3                | 2.2                | 1.9                        |
|                                      | Re-employment                                | Re-employment rate of retired employees                                      | Nippon Shokubai | %            | 85.7               | 87.0               | 89.0               | 88.0               | 83.0                       |
|                                      |  | Average Monthly Wage of Rehired Employees *1                                 | Nippon Shokubai | thousand yen | 306                | 322                | 327                | 339                | 363                        |
|                                      | Turnover/Layoff                              |  | Nippon Shokubai | %            | 1.6                | 1.4                | 1.8                | 2.5                | 1.7                        |
| Work-Life Balance                    | Child Care                                   | Number of employees using child care leave (Total numbers for fiscal year)   | Nippon Shokubai | persons      | 21                 | 23                 | 28                 | 23                 | 50                         |
|                                      |  | Male   | Nippon Shokubai |              | 2                  | 3                  | 7                  | 8                  | 45                         |
|                                      |  | Female   | Nippon Shokubai |              | 19                 | 20                 | 21                 | 15                 | 5                          |
|                                      |  | Percentage of male employees taking childcare leave *1                       | Nippon Shokubai | %            | —                  | 0.9                | 5.9                | 7.2                | 51.1                       |
|                                      |  | Return rate from child care leave of absence                                 | Nippon Shokubai | %            | 100                | 97                 | 100                | 96                 | 100                        |
|                                      | Nursing Care                                 | Number of employees using nursing care leave and personal reasons of absence | Nippon Shokubai | persons      | 1                  | 1                  | 1                  | 0                  | 0                          |

Social  
(2/3)

2/3

| Aspect  | Classification  |  | Scope           | Unit         | FY2018 | FY2019 | FY2020 | FY2021 | FY2022               |
|---|---|--|-----------------|--------------|--------|--------|--------|--------|----------------------|
| Work-Life Balance<br>(continued)                                    | Paid leave  | Average annual paid leave acquisition days per employee (Labor union member) | Nippon Shokubai | days         | 13.4   | 13.0   | 12.6   | 13.4   | 18.0 <sup>*8</sup>   |
|   |   | Rate of taking annual paid leave (Labor union member)                        | Nippon Shokubai | %            | 71.6   | 69.0   | 67.2   | 71.3   | 94.5 <sup>*8</sup>   |
|   |   | Average annual paid leave acquisition days per employee (Management)         | Nippon Shokubai | days         | 11.4   | 10.9   | 10.5   | 11.0   | 12.9 <sup>*8</sup>   |
|   |   | Rate of taking annual paid leave (Management)                                | Nippon Shokubai | %            | 57.1   | 54.5   | 52.4   | 55.0   | 65.5 <sup>*8</sup>   |
|   |   | Average annual paid leave acquisition days per employee (All)                | Nippon Shokubai | days         | 12.9   | 12.5   | 12.2   | 12.9   | 16.7 <sup>*8</sup>   |
|   |   | Rate of taking annual paid leave (All)                                       | Nippon Shokubai | %            | 68.1   | 65.6   | 63.8   | 67.3   | 87.6 <sup>*8</sup>   |
|   | Working hours   | Average overtime hours (Hours/Month)   | Nippon Shokubai | hours        | 15.8   | 15.4   | 15.3   | 15.3   | 15.3                 |
| 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        | 57,458 | 55,783 | 49,623 | 44,408 | 40,074 <sup>*9</sup> |
|   |   | Training time per employee   | Nippon Shokubai |              | 24.9   | 23.7   | 20.8   | 18.4   | 16.4 <sup>*9</sup>   |
|   |   | Total employee training expenses *1  | Nippon Shokubai | million yen  | 177    | 195    | 109    | 129    | 240                  |
|   |   | Training expenses per employee *1  | Nippon Shokubai | thousand yen | 76     | 83     | 46     | 54     | 98                   |
|   |   | Total number of participants in self-selected training programs *1           | Nippon Shokubai | persons      | —      | —      | —      | —      | 1,312                |
|   |   | Total reskilling expenses for senior employees *1                            | Nippon Shokubai | million yen  | —      | —      | —      | —      | 4                    |
|   | Global Human Resources  | Percentage of employees with overseas work experience *1                     | Nippon Shokubai | %            | —      | —      | —      | —      | 11.7                 |
| Engagement  | Engagement score *1*10  |  | Nippon Shokubai | —            | —      | —      | —      | —      | CCC                  |
| Occupational safety and health                                      | Number of injuries with loss of workdays  | Nippon Shokubai Group in Japan   | numbers         | 4            | 2      | 5      | 4      | 4      |                      |
|   |   | Nippon Shokubai  |                 | 2            | 2      | 1      | 4      | 1      |                      |
|   |   | Group companies in Japan *1  |                 | 2            | 0      | 4      | 0      | 3      |                      |
|   |   | Contractors of Nippon Shokubai   |                 | 1            | 1      | 3      | 1      | 1      |                      |
|   | Lost-time injury frequency rate   | Nippon Shokubai Group in Japan   | —               | 0.77         | 0.39   | 0.96   | 0.76   | 0.80   |                      |
|   |   | Nippon Shokubai  |                 | 0.54         | 0.54   | 0.27   | 1.05   | 0.28   |                      |
|   |   | Group companies in Japan *1  |                 | 1.36         | 0.00   | 2.75   | 0.00   | 2.08   |                      |
|   |   | Contractors of Nippon Shokubai   |                 | 0.34         | 0.32   | 1.04   | 0.36   | 0.36   |                      |
|   | Number of fatal accidents   | Nippon Shokubai Group in Japan   | numbers         | 0            | 0      | 0      | 0      | 0      |                      |
|   |   | Nippon Shokubai  |                 | 0            | 0      | 0      | 0      | 0      |                      |
|   |   | Group companies in Japan *1  |                 | 0            | 0      | 0      | 0      | 0      |                      |
|   |   | Contractors of Nippon Shokubai   |                 | 0            | 0      | 0      | 0      | 0      |                      |
|   | Ratio of plants with ISO 45001 (management systems of occupational health and safety) *11 |  | Consolidated    | %            | —      | —      | 38     | 38     | 38                   |
| Number of participants in company-wide RC training including safety |   | Nippon Shokubai  | persons         | —            | —      | 181    | 187    | 191    |                      |
| Quality *1  | Ratio of plants with ISO 9001 (quality management system) *11                             |  | Consolidated    | %            | 100    | 100    | 100    | 100    | 100                  |

**Social**  
**(3/3)**

| Aspect              | Classification     | Scope  | Unit  | FY2018           | FY2019           | FY2020            | FY2021            | FY2022            |
|---------------------|--------------------|--|---|------------------|------------------|-------------------|-------------------|-------------------|
| Social contribution | Expense            | Amount paid for activities on social contributions   | Nippon Shokubai                               | 124              | 126              | 161               | 128               | 209               |
|                     |                    | Donation   | Nippon Shokubai                               | 54               | 54               | 95                | 64                | 139               |
|                     |                    | Expenditure for other activities on social contributions *12   | Nippon Shokubai                               | 70               | 72               | 66                | 64                | 70                |
|                     | Volunteer activity | Number of participants for "Japan-China Friendship Forest Development and Global Warming Prevention"       | Nippon Shokubai                               | 5 <sup>*13</sup> | 3 <sup>*13</sup> | 0 <sup>*14</sup>  | 0 <sup>*14</sup>  | 0 <sup>*14</sup>  |
|                     |                    | Number of participants for "Contributing to Our Forests and Water Resources"                               | Nippon Shokubai                               | 193              | 175              | 11 <sup>*14</sup> | 21 <sup>*14</sup> | 34 <sup>*14</sup> |
|                     |                    | Number of participants for "Contributing to the "Yugawara Myriad Leaves Forest"                            | Nippon Shokubai                               | 103              | 56               | 0 <sup>*14</sup>  | 11 <sup>*14</sup> | 55                |
|                     |                    | Number of participants for "Japan-Indonesia Friendship Forest of Banten Bay for Biodiversity Preservation" | Nippon Shokubai PT. Nippon Shokubai Indonesia | 58               | 60               | 5 <sup>*14</sup>  | 4 <sup>*14</sup>  | 0 <sup>*14</sup>  |

\*1 Added new contents

\*2 Due to a change in the personnel system in FY2022, the date of promotion to management positions was changed from 3/16 to 4/1.  
The figures for FY2022 do not include those promoted in FY2023; figures in parentheses are as of 4/1/2023.

\*3 All applicable employees join the labor union based on the Union Shop Agreement.

\*4 Fixed calculation errors

\*5 Correction due to revision of calculation scope. (Including those who converted from fixed-term employment to permanent employment.)

\*6 Percentage of mid-career hires to all new hires, including high school graduates, etc.

\*7 Ratio of average female wage to average male wage

\*8 Temporary increase in FY2022 due to the increase in the number of days granted as a result of the change in the date for granting annual paid leave all at once.

\*9 Not include hours of e-learning newly introduced in FY2022.

\*10 Evaluation by Motivation Cloud of Link and Motivation, Inc.

\*11 Ratio at manufacturing sites

\*12 Expenditure for Volunteer activity, Facilities offering, Other

\*13 The secretariat and NPO members performed maintenance work.

\*14 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.



## Governance

## [Scope of Data Aggregation]

"Nippon Shokubai"

NIPPON SHOKUBAI CO., LTD.

"Consolidated"

NIPPON SHOKUBAI CO., LTD. and its consolidated subsidiaries

| Aspect                               | Classification   |  | Scope           | Unit        | FY2018 | FY2019 | FY2020 | FY2021 | FY2022              |
|--------------------------------------|--|--|-----------------|-------------|--------|--------|--------|--------|---------------------|
| 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      | 8      | 9      | 9                   |
|                                      |  | 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  |  | 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 | 380    | 334    | 196    | 333    | 390                 |
|                                      | Remuneration of Statutory Corporate Auditors (except External Statutory Corporate Auditors)                                |  | Nippon Shokubai |             | 48     | 47     | 47     | 46     | 52                  |
|                                      | Remuneration of Outside Officers (except External Statutory Corporate Auditors)  |  | Nippon Shokubai |             | 35     | 34     | 35     | 36     | 39                  |
| Shareholder                          | Dividend   | Interim  | Nippon Shokubai | yen         | 80     | 90     | 45     | 80     | 90                  |
|                                      |  | Annual   | Nippon Shokubai |             | 170    | 180    | 90     | 180    | 180                 |
|                                      | Dividend Payout Ratio  |  | Consolidated *1 | %           | 28.4   | 64.7   | —      | 30.3   | 36.9                |
| Compliance                           | Number of participants in the training for new employees, new middle level employees and new managers regarding compliance |  | Nippon Shokubai | persons     | 183    | 186    | 219    | 194    | 2,485 <sup>*2</sup> |
|                                      | Number of internal reporting   |  | Nippon Shokubai | numbers     | 3      | 4      | 0      | 0      | 3                   |
| 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                   |
|                                      | Number of fine and penalty for bribery   |  | Consolidated    | numbers     | 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                   |
|                                      | Number of significant violations of laws or regulations in the social and economic area besides those mentioned above      |  | Consolidated    | numbers     | 0      | 0      | 0      | 0      | 0                   |
| Contribution                         | Political Contribution   |  | Nippon Shokubai | yen         | 0      | 0      | 0      | 0      | 0                   |
| Information security                 | Number of critical Incidents in Information Systems *3   |  | Consolidated    | numbers     | 0      | 0      | 0      | 0      | 0                   |

\*1 NIPPON SHOKUBAI CO., LTD., its subsidiaries and its affiliates

\*2 In FY2022, Code of Conduct introduction training was conducted for all levels of employees. The number of the participants includes those in the training for new employee as well as those in Code of Conduct introduction training.

\*3 Added new contents

[Updated Contents]

July 1st, 2023

Released FY2022 data

Added new contents

Environment > Prevention of global warming > GHG emissions (Revised method for disclosing)  
 Environment > Water > Water withdrawal > Water use intensity  
 Social > Employees > Number of employees > Percentage of mid-career hires to all employees  
 Social > Employment and Diversity & Inclusion > Number of hires > Percentage of mid-career hires to all new hires  
 Social > Employment and Diversity & Inclusion > Wage > Average annual salary, Wage differences between male and female workers  
 Social > Employment and Diversity & Inclusion > Re-employment > Average Monthly Wage of Rehired Employees  
 Social > Work-Life Balance > Child Care > Percentage of male employees taking childcare leave  
 Social > Human resources development > Training > Total employee training expenses, Training expenses per employee,  
     Total number of participants in self-selected training programs, Total reskilling expenses for senior employees  
 Social > Human resources development > Global Human Resources > Percentage of employees with overseas work experience  
 Social > Engagement > Engagement score  
 Social > Occupational safety and health > Number of injuries with loss of workdays > Group Companies in Japan  
 Social > Occupational safety and health > Lost-Time Injury Frequency Rate > Group Companies in Japan  
 Social > Occupational safety and health > Number of fatal accidents > Group Companies in Japan

Fixed errors

Environment > Waste reduction > Quantity of final off-site landfill > Group companies in Japan > FY2020, FY2021  
 Social > Employment and Diversity & Inclusion > Number of hires > Number of new graduate hires (College graduate) > FY2021  
 Social > Employment and Diversity & Inclusion > Number of hires > Number of mid-career hires > FY2018-2021

September 25th, 2023

Added new contents

Environment > Prevention of global warming > Estimated value of avoided emissions in the supply chain by Environmental Contribution Products  
 Environment > Prevention of air and water pollution > SOx emissions > Nippon Shokubai Group, Group companies outside Japan  
 Environment > Prevention of air and water pollution > NOx emissions > Nippon Shokubai Group, Group companies outside Japan  
 Environment > Environmental management > Ratio of plants with environmental management system (EMS) certification  
 Social > Quality > Ratio of plants with ISO 9001 (quality management system)  
 Governance > Information security > Number of critical Incidents in Information Systems

Fixed errors

Environment > Prevention of global warming > Energy consumption > Nippon Shokubai Group (Unit:GWh) > FY2022  
 Environment > Prevention of global warming > GHG emissions > Scope 1+2 > Nippon Shokubai Group, Nippon Shokubai > FY2022  
 Environment > Prevention of global warming > GHG emissions > Scope 1 > Nippon Shokubai Group, Nippon Shokubai > FY2022