

Medium-term RC Basic Plan 2027 (FY2025–FY2027)



Environmental Protection

Objectives for FY2025–FY2027

- GHG emissions: 30% reduction in emissions by FY2030 from base year as Nippon Shokubai Group total (In Japan) 30% reduction from FY2014 levels (Outside Japan) Reduction by [reduction objects for each company] from [base fiscal year for each company] levels
- Energy saved: 7,000 kL (over 3 years, crude oil equivalent)
- Energy consumption intensity: Class A^{*1} or higher in the Business Classification Evaluation System under the Act on the Rational Use of Energy
- Fuel consumption intensity for road transport: An annual reduction of 1% compared to the average intensity of 35.0 L/1,000 t-km from FY2019 to FY2023
- Water withdrawal: Less than FY2020 levels (14.6 million m³)
- Quantity of final off-site landfill: Maintain zero emissions^{*2}
- Waste plastic emissions: 50% reduction in emissions by FY2030 from FY2021 levels
- Emissions of substances subject to the PRTR Law^{*3} 8% reduction in emissions from FY2023 levels (83 t/y or less)

Priority Initiatives

1. Promotion of reducing GHG emissions
2. Promotion of energy-saving activities and promotion of reducing emissions of waste/substances subject to the PRTR Law
3. Improvement in transportation efficiency
4. Enhancement of product carbon footprint data quality
5. Promotion of the certification for Environmental Contribution Products
6. Appropriate monitoring and response to biodiversity and water risks (includes Group companies both inside and outside Japan)

^{*1} Class A: If the target of "reducing the five-year average energy consumption intensity or the five-year average electricity demand optimization evaluation intensity by 1% or more per year" has not been achieved, and the intensity has not increased year-on-year for the last two consecutive years, or the five-year average intensity has not increased by 5%.

^{*2} Zero emissions: Reducing the quantity of waste subject to final disposal at off-site landfills to 0.1% or less of the total quantity of waste generated. (quantity of final off-site landfill) $\leq$ (total quantity of waste generated $\times$ 0.1%).

^{*3} PRTR Law: Act on the Assessment of Releases of Specified Chemical Substances in the Environment and the Promotion of Management Improvement.



Process Safety and Disaster Prevention

Objectives for FY2025–FY2027

- Class 1 process safety accidents^{*4}: 0, Class 2 process safety accidents^{*5}: 0

Priority Initiatives

1. Safety culture development
2. Prevention of process safety events
3. Human resource development

^{*4} Class 1 process safety accident: Severity point is 18 or more according to CCPS/Japan Petrochemical Industry Association or a fatal accident.

^{*5} Class 2 process safety accident: Severity point is from 1 to less than 18 according to CCPS/Japan Petrochemical Industry Association.



Occupational Safety and Health

Objectives for FY2025–FY2027

- Serious injuries^{*6}: 0 (including contractors)
- Injuries with lost workdays^{*7}: 0 (including contractors)
- Total occupational injury frequency rate^{*8} $\leq$ 1.5 (including contractors)

Priority Initiatives

1. Safety culture development
2. Prevention of injuries
3. Strengthening support for safety activities to contractors

^{*6} Serious injuries: Resulting in injuries with 4 or more lost workdays, or a disability class from 1 to 14. The disability grade can be confirmed in the Workers' Accident Compensation Insurance Law Enforcement Regulations, Appendix 1, Disability Grade Table.

^{*7} Injury with lost workdays: Injury requiring at least one lost workday for medical treatment.

^{*8} Total occupational injury frequency rate: Number of casualties in occupational injuries (injuries with lost workdays + injuries without lost workdays) per 1 million actual working hours.



Chemical Safety

Objectives for FY2025–FY2027

- Legal and/or social problems related to chemical safety^{*9}: 0

Priority Initiatives

1. Thorough compliance with laws related to chemical substance management
2. Reliable and efficient provision of product safety information and relevant laws to the supply chain
3. Improving understanding of the hazards of chemical substances and related laws within the company and Group companies
4. Adaptation to new frameworks and industry policies regarding chemical substance management

^{*9} Definition of legal and/or social problems related to chemical safety: Cases where violations of laws and/or regulations related to chemicals have had a social impact, such as receiving guidance from relevant government agencies or being reported in the mass media.



Quality

Objectives for FY2025–FY2027

- Serious quality complains: 0

Priority Initiatives

1. Continuous improvement by effective utilization of the quality management system
2. Prevention of quality complaints and troubles
3. Thorough quality compliance
4. Improvement of efficiency in quality-related operations without losing reliability



Communication with Society

Objectives for FY2025–FY2027

- Appropriate disclosure of information to stakeholders

Priority Initiatives

1. Participation in RC community dialogue meetings and various councils, etc.
2. Disclosure of information via the corporate website
3. Revision of TCFD Report



Expanding RC initiatives to Group Companies (Common Items with Group Companies)

Objectives for FY2025–FY2027

1. Environmental protection (In Japan)
 - Reduction of GHG emissions by 30% in FY2030 from FY2014
 - Reduction of energy intensity
 - Reduction of disposal at off-site landfills
 - Reduction of emissions of substances subject to the PRTR Law (Outside Japan)
 - Reduction of GHG emissions by [reduction objectives for each company] from [base year for each company]
 - Reduction of energy intensity
 - Reduction of the quantity of waste
2. Process safety and disaster prevention
 - Class 1 process safety accidents: 0
 - Class 2 process safety accidents: 0
3. Occupational safety and health
 - Serious injuries: 0
 - Injuries with lost workdays: 0
 - Total occupational injury frequency rate $\leq$ 1.5 (Group-wide)
4. Chemical product safety
 - Legal and/or social problems related to chemical safety: 0
5. Quality
 - Serious quality complains: 0
6. Communication with society
 - Maintenance of a dialogue with stakeholders and reasonable information disclosure

Priority Initiatives

- Guidance for Group companies, verification through audits, etc.