

The 11th (FY2022–FY2024) Medium-term RC Basic Plan and FY2024 Results

[Ratings]  Achieved  Nearly achieved  Unachieved



Environmental Protection



Objectives for FY2022–FY2024

- Energy saved: 6,000 kL (over 3 years)
- Energy consumption intensity: 5% reduction from FY2019 levels (annual reduction of 1%, 96.9 L/t-production)
- CO₂ emissions¹ for FY2030: 30% or greater reduction from FY2014 levels (including Group companies in Japan)
- Fuel consumption intensity for road transport: 4% reduction from FY2020 levels (annual reduction of 1%, 33.7 L/1,000 t-km)
- Promote modal shifts
- Water use intensity: reduction to at least FY2020 levels (8.45 m³/t-production)
- Maintain zero emissions²: (Quantity of final off-site landfill) ≤ (Total amount of waste generated × 0.1%)
- Emissions of substances subject to the PRTR Law³: 99 t/yr⁴ or less

FY2024 Actual Figures

- Energy saved: 7,693 kL⁵ (22,710kL over 3 years)
- Energy consumption intensity: Increased 11.6%^{5,6} • CO₂ emissions: Decreased 16.8%^{5,7}
- Fuel consumption intensity for road transport: Increased 1.1%
- Modal shift promotion ongoing • Water use intensity: Increased 7.7% from FY2020 levels
- Zero emissions maintained
- Emissions of substances subject to the PRTR Law: 84.9 t/yr

Priority Initiatives

1. Promoted energy-saving activities and technical investigations to reduce emissions of waste/PRTR substances
2. Promoted reduction in CO₂ emissions toward achieving carbon neutrality
3. Currently considering building a system that totals up product-specific CO₂ emissions
4. Ensured appropriate management of equipment that uses fluorocarbons and strove to control fluorocarbon emissions
5. Promoted certification of Environmental Contribution Products, including those manufactured by Group companies

¹ The emissions reduction target is in fact for greenhouse gases (GHG), but most GHG is actually carbon dioxide (CO₂). Therefore, it is referred to as CO₂ here.

² Zero emissions: Reducing the quantity of waste subject to final disposal at off-site landfills to 0.1% or less of the total amount of waste generated.

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

⁴ Due to amendment of the PRTR Law, this objective was re-set.

⁵ Each coefficient has been revised due to acts (Act on the Rational Use of Energy, Act on Promotion of Global Warming Countermeasures, and Act on Rational Use and Appropriate Management of Fluorocarbons) amended in FY2023.

⁶ Due to the amended Act on the Rational Use of Energy, waste oil used as fuel is treated as energy, but calculations exclude waste oil for comparison with the base year.

⁷ Including a carbon credit offset of 6.9% due to the purchase of carbon-offset city gas.



Process Safety and Disaster Prevention



Objectives for FY2022–FY2024

- Zero Class A⁸ or Class B⁹ process safety accidents (aiming to completely avoid serious process safety accidents)

FY2024 Actual Figures

- Class A process safety accidents: 0 • Class B process safety accidents: 1

Priority Initiatives

1. Strove to strengthen the culture of prioritizing safety through the utilization of evaluation result by third-party regarding process safety capability, monthly safety efforts, and more.
2. Implemented systematic risk assessment and other activities to prevent trouble.
3. Systematically implemented deterioration countermeasures, seismic countermeasures, and more.
4. Strove to continuously improve safety management systems.
5. Systematically implemented and enhanced training provided by outside entities and education/training/drills at plants and research centers.

⁸ Class A: Level 9 or higher according to the Nippon Shokubai method on the Japan Petrochemical Industry Association chart.

⁹ Class B: Level 3 to 9 according to the Nippon Shokubai method on the Japan Petrochemical Industry Association chart.



Occupational Safety and Health



Objectives for FY2022–FY2024

- Zero injuries with loss of workdays¹⁰ (including contractors)
- Zero injuries without loss of workdays¹¹ (including contractors)

FY2024 Actual Figures

- Injuries with lost workdays: 2 • Injuries without lost workdays: 7

Priority Initiatives

1. Promoted basic safety activities and implemented other activities to prevent troubles.
2. Implemented systematic safety measures through efforts such as persistently sharing cases of occupational injuries throughout the company.
3. Verified the status and strove for continuous improvement of various safety activities.
4. Systematically implemented workplace safety training and enhanced training/drills.
5. Supported contractors' safety activities through safety training, patrols, and more.

¹⁰ Injury with lost workdays: Injury requiring at least one lost workday for medical treatment.

¹¹ Injury without lost workdays: Injury requiring no loss of workdays for medical treatment.



Chemical Safety



Objectives for FY2022–FY2024

- Completely avoid (legal/social) problems with chemical products

FY2024 Actual Figures

- Cases involving problems with chemical products: 0

Priority Initiatives

1. Systematically conducted internal training and held explanatory meetings concerning laws and regulations for management of chemical substances both inside and outside of Japan.
2. Revised SDS on time in accordance with the requirements of relevant laws and regulations, including amendment to the Industrial Safety and Health Act of Japan.
3. Submitted notices and information before the prescribed deadlines based on legal obligations under domestic and foreign laws and regulations, and when requested by the authorities.



Quality



Objectives for FY2022–FY2024

- To achieve zero serious quality complaints
- To improve customer satisfaction by strictly complying with quality-related laws and promoting priority initiatives regarding quality

FY2024 Actual Figures

- Serious complaints about quality: 0
- Accomplished quality priority initiatives designed to improve customer satisfaction

Priority Initiatives

1. Continuously made improvements by effectively using the quality management system through audit, inspection, quality meetings, and the like.
2. Promoted activities to prevent quality complaints and issues, as planned.
3. Implemented quality education and quality awareness-raising activities to foster a quality-first mindset, as planned.



Communication with Society



Objectives for FY2022–FY2024

- Engage in dialogue with and disclose information to stakeholders

FY2024 Actual Figures

- Published details of RC initiatives on the website
- Published and revised the TCFD Report



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



Objectives for FY2022–FY2024

1. Environmental protection:
 - Reduce energy consumption intensity
 - Set a CO₂¹ emissions reduction objective (Group companies outside Japan)
 - Reduce the volume of waste sent to off-site landfills for disposal (Group companies in Japan)
 - Reduce the total volume of waste (Group companies outside Japan)
 - Reduce emissions of substances subject to the PRTR Law (Group companies in Japan)
2. Process safety and disaster prevention:
 - Completely avoid disasters and accidents (equivalent to Class A and Class B process safety accidents on the Nippon Shokubai scale)
3. Occupational safety and health:
 - Completely avoid injuries with lost workdays
4. Chemical product safety:
 - Completely avoid (legal or social) problems with chemical products
5. Quality:
 - Completely avoid serious complaints about quality
6. Communication with society:
 - Engage in dialogue with and properly disclose information to stakeholders

FY2024 Actual Figures

- Energy consumption intensity: Decreased at 5 out of 12 companies
- Volume of waste sent to off-site landfills for disposal: Increased 27.7% YoY (Group companies in Japan)
- Volume of total waste: Decreased 2.7% YoY (Group companies outside Japan)
- Emissions of substances subject to the PRTR Law: Increased 40.6% YoY (Group companies in Japan)
- Disasters: 0 • Accidents: 1 • Injuries with lost workdays: 4
- Cases involving problems with chemical products: 0 • Serious complaints about quality: 0
- Published environmental reports, and participated in local community events

Priority Initiatives

- Conducted RC discussions and audits of Group companies in an effort to improve the Group's overall quality of RC initiatives