# **External Evaluations and Awards**

### Inclusion in ESG Indexes —

#### FTSE Blossom Japan Sector Relative Index



# **FTSE Blossom Japan Sector Relative Index**

FTSE Blossom Japan Sector Relative Index, created by FTSE Russell, reflects the performance of Japanese companies that demonstrate strong Environmental, Social and Governance (ESG) practices relative to their respective sectors and is designed to be sector neutral. It is one of the benchmark stock indices for ESG investments adopted by the Government Pension Investment Fund (GPIF) of Japan. (March 2022)

#### > FTSE Blossom Japan Index

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Nippon Kayaku Co., Ltd. has been independently assessed according to the FTSE Blossom Japan Sector Relative Index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Sector Relative Index. Created by the global index provider FTSE Russell, the FTSE Blossom Japan Sector Relative Index is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices, FTSE Blossom Japan Sector Relative Index indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

## **MSCI Japan ESG Select Leaders Index**

**2022** CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

MSCI Japan ESG Select Leaders Index is created by selecting Japanese companies with high Environmental, Social and Governance (ESG) performance, using MSCI Japan IMI Top 700 as its parent index. It is one of the benchmark stock indices for ESG investments adopted by the Government Pension Investment Fund (GPIF) of Japan. (December 2021)

#### ➤ MSCI ESG Select Leaders Index 🗖

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### **MSCI Japan Empowering Women Index (WIN)**

2022 CONSTITUENT MSCLJAPAN **EMPOWERING WOMEN INDEX (WIN)**  MSCI Japan Empowering Women Index (WIN) is created by selecting Japanese companies that demonstrate strong practices for empowering women, using MSCI Japan IMI Top 700 as its parent index.

It is one of the benchmark stock indices for ESG investments adopted by the Government Pension Investment Fund (GPIF) of Japan. (December 2021)

➤ MSCI Japan Empowering Women Index (WIN)

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#### S&P/JPX Carbon Efficient Index



S&P/JPX Carbon Efficient Index is an environmental stock index developed jointly by S&P Dow Jones Indices and Japan Exchange Group. This index targets TOPIX constituent companies that have a high carbon efficiency (carbon emissions per unit of sales) and disclose environmental information, factors for increasing the investment weight of companies. It is one of the benchmark stock indices for ESG investments adopted by the Government Pension Investment Fund (GPIF) of Japan. (March 2022)

> S&P/JPX Carbon Efficient Index □

### Certification -

# **Fukuyama Plant Obtained Silver Certification in RBA Audit**

The Responsible Business Alliance (RBA) is an industrial coalition dedicated to corporate social responsibility in global supply chains. The RBA Code of Conduct sets out standards for proper supply chain operations, specifically occupational safety, workers treated with dignity and respect, and environmentally friendly business activities.

In January 2022, the Fukuyama Plant underwent a third-party RBA audit (VAP audit), and received a Silver certification, in acknowledgement of proper management for all the audit criteria: labor; health & safety; environment; ethics; and management

Also, to address identified issues, the plant has created improvement plans to implement correction measures.



# **Recognition and Awards**

#### **CDP**



CDP is an international NGO that runs a global disclosure system, in which companies and cities are encouraged to report on their environmental impacts and actions related to climate change, water resource protection, and forest conservation, and relevant surveys and evaluations are conducted.

In FY2021, the Nippon Kayaku Group was rated "B" for the Climate Change Report and "C" for the Water Security Report.

#### **EcoVadis**

EcoVadis SAS (headquartered in France) hosts an ESG rating platform that assesses more than 85,000 companies and organizations from 160 countries and across 200 sectors. The entity provides comprehensive third-party evaluation in four areas concerning the environment, labor and human rights, ethics, and sustainable procurement.

In April 2022, the Nippon Kayaku Group was awarded the Bronze Medal by EcoVadis in recognition of its performance of sustainability initiatives.