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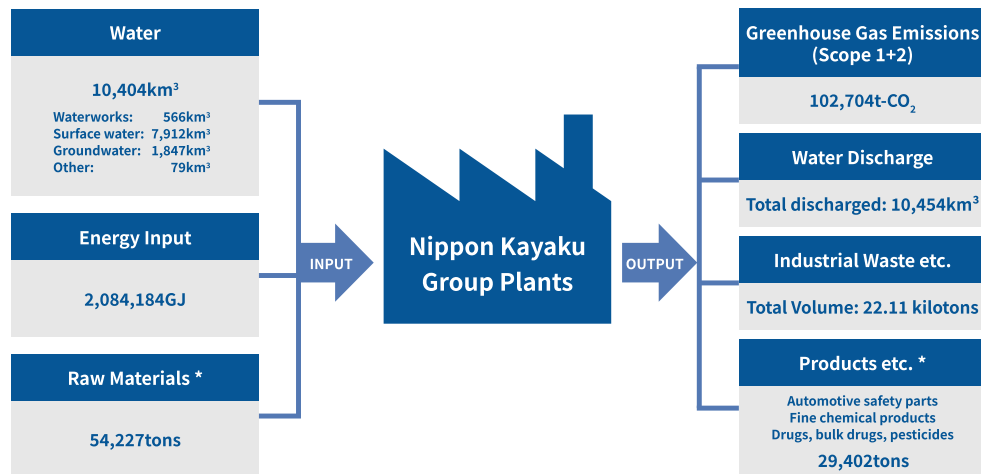
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## ESG Aggregate Data

### Environment

#### Material Flow

##### ◆ Material Flow of Business Activities (FY2023)



Items listed below without additional notes represent combined domestic and overseas values.

\* Nippon Kayaku alone

##### ◆ Amounts of Raw Materials Used

Indicators	Covering	Unit	2020	2021	2022	2023
Principal raw materials	non-consolidated	tons	36,614	47,583	44,211	40,707
Auxiliary materials	non-consolidated	tons	16,581	18,529	17,026	12,512
Plastic packaging materials	non-consolidated	tons	194	266	389	180
Cardboard packaging materials	non-consolidated	tons	415	529	480	395
Other packaging materials	non-consolidated	tons	461	489	470	434
<b>Total</b>	<b>non-consolidated</b>	<b>tons</b>	<b>54,266</b>	<b>67,396</b>	<b>62,576</b>	<b>54,227</b>

\* Products not included (goods stocked at plants)

##### ◆ Energy Input Amounts

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Amount of energy input (heat quantity equivalent)	consolidated	GJ	-	-	-	-	2,084,184
Renewable energy	consolidated	GJ	-	-	-	-	29,060
Non-renewable energy sources	consolidated	GJ	-	-	-	-	2,055,124

\* When converting electricity amounts into heat amounts for fuel, heat and electricity consumed in domestic and overseas business activities, electricity purchased from electricity companies is converted at 1MWh to 8.64GJ, while renewable energy such as solar power is converted at 1MWh to 3.6GJ.

#### Greenhouse Gas Emissions

##### ◆ Scope 1 and Scope 2 (Non-consolidated)

Indicators	Covering	Unit	2019	2020 <sup>*2</sup>	2021 <sup>*2</sup>	2022 <sup>*2</sup>	2023 <sup>*2</sup>
Energy-derived CO <sub>2</sub>	non-consolidated	t-CO <sub>2</sub> e	79,476	71,632	63,168	62,267	57,760
Non-energy-derived CO <sub>2</sub>	non-consolidated	t-CO <sub>2</sub> e	2,980	2,733	3,189	2,719	2,406
N <sub>2</sub> O	non-consolidated	t-CO <sub>2</sub> e	113	123	112	169	339
CH <sub>4</sub>	non-consolidated	t-CO <sub>2</sub> e	24	26	29	30	34
HFCs	non-consolidated	t-CO <sub>2</sub> e	0	12	3	110	49
Other CFCs	non-consolidated	t-CO <sub>2</sub> e	405	34	336	622	70
PFCs	non-consolidated	t-CO <sub>2</sub> e	0	0	0	0	0
SF <sub>6</sub>	non-consolidated	t-CO <sub>2</sub> e	0	0	0	0	0
NF <sub>3</sub>	non-consolidated	t-CO <sub>2</sub> e	0	0	0	0	0
<b>Total<sup>*1</sup></b>	<b>non-consolidated</b>	<b>t-CO<sub>2</sub>e</b>	<b>82,999</b>	<b>74,559</b>	<b>66,839</b>	<b>65,916</b>	<b>60,659</b>

\*1 As figures have been rounded off, the totals in some columns do not exactly match the sum of each item above.

\*2 Joetsu Plant emissions are included in the non-consolidated figures from FY2020 onwards

##### ◆ Scope 1 and Scope 2 (Consolidated)

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Energy-derived CO <sub>2</sub>	consolidated	t-CO <sub>2</sub> e	127,323	114,281	108,410	103,811	99,124
Non-energy-derived CO <sub>2</sub>	consolidated	t-CO <sub>2</sub> e	2,989	2,771	3,230	2,745	2,463
N <sub>2</sub> O	consolidated	t-CO <sub>2</sub> e	113	123	112	169	339
CH <sub>4</sub>	consolidated	t-CO <sub>2</sub> e	24	26	29	30	34
HFCs	consolidated	t-CO <sub>2</sub> e	26	16	7	138	113
Other CFCs	consolidated	t-CO <sub>2</sub> e	748	1,011	794	1,409	632
PFCs	consolidated	t-CO <sub>2</sub> e	0	0	0	0	0
SF <sub>6</sub>	consolidated	t-CO <sub>2</sub> e	0	0	0	0	0
NF <sub>3</sub>	consolidated	t-CO <sub>2</sub> e	0	0	0	0	0
<b>Total<sup>*1</sup></b>	<b>consolidated</b>	<b>t-CO<sub>2</sub>e</b>	<b>131,223</b>	<b>118,227</b>	<b>112,584</b>	<b>108,301</b>	<b>102,705</b>
Scope 1	consolidated	t-CO <sub>2</sub> e	36,326	35,613	37,819	35,581	30,158
Scope 2 (Market base)	consolidated	t-CO <sub>2</sub> e	94,897	82,615	74,765	72,720	72,546
Emission volume per unit of sales <sup>*2</sup>	consolidated		0.75	0.68	0.61	0.55	0.51

\*1 As figures have been rounded off, the totals in some columns do not exactly match the sum of each item above.

\*2 2 Emissions amounts (t-CO<sub>2</sub>e) / consolidated sales figures (million yen)

## ◆ Scope3

Category	Covering	Unit	2019	2020	2021	2022	2023
Products and services purchased	consolidated	t-CO <sub>2</sub> e	243,600	237,300	294,500	275,000	241,800
Capital goods	consolidated	t-CO <sub>2</sub> e	42,700	42,900	26,800	29,600	33,400
Fuels and energy-related activities not included in Scope 1 and 2	consolidated	t-CO <sub>2</sub> e	22,400	21,200	22,300	21,000	20,500
Exports and distribution (upstream)	consolidated	t-CO <sub>2</sub> e	19,000	17,600	22,300	19,700	16,600
Business waste produced	consolidated	t-CO <sub>2</sub> e	26,500	28,800	31,800	16,200	10,800
Business trips	consolidated	t-CO <sub>2</sub> e	800	800	800	800	800
Employee commutes	consolidated	t-CO <sub>2</sub> e	2,500	2,400	2,400	2,400	2,400
Leased assets (upstream)	consolidated	t-CO <sub>2</sub> e	Included in Scope 1 and 2, and therefore not calculated here				
Exports and deliveries (downstream)	consolidated	t-CO <sub>2</sub> e	1,000	1,000	1,600	1,500	1,200
Processing of sold goods	consolidated	t-CO <sub>2</sub> e	-	-	-	-	-
Use of sold goods	consolidated	t-CO <sub>2</sub> e	-	-	-	-	-
Disposal of sold goods	consolidated	t-CO <sub>2</sub> e	15,400	23,200	26,400	23,000	17,600
Leased assets (downstream)	consolidated	t-CO <sub>2</sub> e	400	400	400	400	400
Franchise	consolidated	t-CO <sub>2</sub> e	n/a	n/a	n/a	n/a	n/a
Investments	consolidated	t-CO <sub>2</sub> e	n/a	n/a	n/a	n/a	n/a
<b>Total*</b>	<b>consolidated</b>	<b>t-CO<sub>2</sub>e</b>	<b>374,300</b>	<b>375,600</b>	<b>429,300</b>	<b>389,600</b>	<b>345,500</b>

\* As figures have been rounded off, the totals in some columns do not exactly match the sum of each item above.

## Energy Consumption

### ◆ Energy Consumed (Crude oil equivalent)

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Production, R&D and office departments	non-consolidated	1,000kL	34,939	38,700	40,325	38,583	32,634

### ◆ Energy Consumed

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Non-renewable fuels purchased and consumed (A) (Nuclear energy, coal, oil, natural gas etc.)	non-consolidated	MWh	138,083	155,201	165,494	153,390	137,447
Non-renewable electricity purchased (B)	non-consolidated	MWh	78,491	95,819	98,505	95,837	85,946
Non-renewable energy purchased (steam, heat, cooling, and others) (C)	non-consolidated	MWh	3,070	3,452	3,433	4,073	5,685
Renewable energy purchased and created (D) (Wind power, solar power, biomass, hydro-power, geothermal energy etc.)	non-consolidated	MWh	58	59	57	162	2,028
Non-renewable energy sold (E) (electricity, thermal, cooling)	non-consolidated	MWh	0	0	0	0	0
<b>Total non-renewable energy used (A+B+C-E)*</b>	<b>non-consolidated</b>	<b>MWh</b>	<b>219,644</b>	<b>254,472</b>	<b>267,432</b>	<b>253,300</b>	<b>229,078</b>

\* As figures have been rounded off, the totals in some columns do not exactly match the sum of each item above.

## Air

### ◆ Air Emissions

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Volatile Organic Compounds (VOC)	non-consolidated	tons	28.6	33.3	52.1	38.7	32.9
Dichloromethane	non-consolidated	tons	4.9	4.0	3.6	3.2	2.7
Formaldehyde	non-consolidated	tons	0.04	0.04	0.15	0.13	0.13
NOx	non-consolidated	tons	9.1	7.5	7.7	8.3	6.7
SOx	non-consolidated	tons	1.3	1.0	0.7	0.9	0.8
Particulate matter	non-consolidated	tons	0.9	0.5	0.5	0.4	0.2

## Wastewater and Waste

### ◆ Wastewater Management

Indicators	Covering	Unit	2019	2020	2021	2022	2023
COD	consolidated	tons	231.9	218.8	223.6	243	274
Total phosphorus	consolidated	tons	10.6	3.2	11.2	7.1	18.5
Total nitrogen	consolidated	tons	74.8	83.2	73.5	114.0	68.5
SS*	consolidated	tons	46.0	48.4	49.9	49.2	44.6

\* SS - Suspended solids: Refers to particulate matter of 2mm diameter or less either floating or suspended in water, including fine particles from minerals, plant and animal plankton or the carcasses of such, sewage, organic matter and metal sediments originating from plant wastewater. If present in large amounts, suspended solids can negatively affect water transparency and appearance, and – through impeding light-ray penetration – underwater photosynthesis as well

## ◆ Waste

Indicators		Covering	Unit	2019	2020	2021	2022	2023		
Non-hazardous waste		non-consolidated	tons	17,971	19,411	22,069	21,154	16,146		
		Group companies	tons	4,240	996	1,199	1,242	1,087		
		Total	tons	22,211	20,407	23,268	22,396	17,233		
		General waste		non-consolidated	tons	714	643	673	648	464
				Group companies	tons	647	504	449	559	513
				Total	tons	1,361	1,147	1,122	1,207	977
		Industrial waste		non-consolidated	tons	17,256	18,768	21,396	20,506	15,682
				Group companies	tons	3,593	493	750	682	574
				Total	tons	20,849	19,261	22,146	21,188	16,256
		Hazardous waste		non-consolidated	tons	5,231	5,925	6,503	6,467	4,828
Group companies	tons			190	92	86	71	59		
Total	tons			5,421	6,017	6,589	6,538	4,887		
Source-specific hazardous industrial waste				non-consolidated	tons	131	221	146	182	182
				Group companies	tons	0	0	0	0	0
				Total	tons	131	221	146	182	182
Total* <sup>1</sup>				tons	27,631	26,426	29,857	28,934	22,119	

Indicators		Covering	Unit	2019	2020	2021	2022	2023
Types of waste	Sludge	non-consolidated	tons	2,206	1,979	2,309	2,338	2,291
		Group companies	tons	267	131	336	258	115
		Total	tons	2,473	2,110	2,645	2,596	2,406
	Waste oil	non-consolidated	tons	5,296	5,766	6,386	5,848	4,809
		Group companies	tons	95	94	87	71	59
		Total	tons	5,391	5,860	6,473	5,919	4,868
	Spent acid	non-consolidated	tons	617	2,244	2,185	1,523	1,116
		Group companies	tons	1,916	3	2	8	13
		Total	tons	2,533	2,247	2,187	1,531	1,129
	Waste alkali	non-consolidated	tons	13,399	13,382	15,784	16,064	11,219
		Group companies	tons	631	17	11	11	8
		Total	tons	14,030	13,399	15,795	16,075	11,227
	Plastic waste	non-consolidated	tons	642	954	888	885	788
		Group companies	tons	731	235	277	326	326
		Total	tons	1,373	1,189	1,165	1,211	1,114
	Others	non-consolidated	tons	1,041	1,010	1,021	962	751
		Group companies	tons	790	609	572	640	624
		Total	tons	1,831	1,619	1,593	1,602	1,375
Landfill amount		non-consolidated	tons	844	404	298	233	144
Recycling rates <sup>+2</sup>		non-consolidated	%	84	81	82	87	84
Zero-emissions rates		non-consolidated	%	3.7	1.6	1	0.8	0.7

\*1 As figures have been rounded off, the totals in some columns do not exactly match the sum of each item above.

\*2 Includes recovered and reused solvent

## ◆ PRTR substances

Indicators	Covering	Unit	2019	2020	2021	2022	2023
PRTR substance emission amounts	Air	non-consolidated	18.9	16.8	25.2	38.7	32.9
	Water regions	non-consolidated	13.3	9.1	14.7	51.4	75.0
	Soil	non-consolidated	0	0	0	0	0
	<b>Total*</b>	<b>non-consolidated</b>	<b>32.2</b>	<b>25.9</b>	<b>39.9</b>	<b>90.1</b>	<b>107.9</b>

\* As figures have been rounded off, the totals in some columns do not exactly match the sum of each item above.

## Water

### ◆ Water Resource Use (non-consolidated)

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Amount of water taken	Waterworks	non-consolidated 1,000m <sup>3</sup>	356	390	381	377	320
	Surface water (industrial water)	non-consolidated 1,000m <sup>3</sup>	7,521	7,874	8,098	7,953	7,863
	Groundwater (well water)	non-consolidated 1,000m <sup>3</sup>	2,283	1,828	1,848	1,769	1,804
	Others (reservoirs, rainwater storage)	non-consolidated 1,000m <sup>3</sup>	0	0	0	17	28
	<b>Total*<sup>1</sup></b>	<b>non-consolidated 1,000m<sup>3</sup></b>	<b>10,160</b>	<b>10,092</b>	<b>10,327</b>	<b>10,116</b>	<b>10,015</b>
	From water-stressed regions* <sup>2</sup>	non-consolidated 1,000m <sup>3</sup>	0	0	0	0	0
Amount of water discharged* <sup>3</sup>	Sea areas	non-consolidated 1,000m <sup>3</sup>	7,374	7,014	7,142	6,726	6,966
	Rivers	non-consolidated 1,000m <sup>3</sup>	2,677	2,395	2,408	2,350	2,441
	Sewers	non-consolidated 1,000m <sup>3</sup>	526	511	460	531	679
	<b>Total*<sup>1</sup></b>	<b>non-consolidated 1,000m<sup>3</sup></b>	<b>10,577</b>	<b>9,919</b>	<b>10,011</b>	<b>9,607</b>	<b>10,086</b>
Amount of water recycled		non-consolidated 1,000m <sup>3</sup>	0	0	0	0	0
Recycling rates		non-consolidated %	0	0	0	0	0

\*1 As figures have been rounded off, the totals in some columns do not exactly match the sum of each item above.

\*2 Using the Aqueduct Water Risk Atlas of water-stress levels, we have confirmed that all our business bases are located in areas of Level 3 water stress or below.

\*3 Water of equal or higher quality is returned to the intake source

### ◆ Use of Water Resources (Consolidated)

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Amount of water taken	Waterworks	consolidated 1,000m <sup>3</sup>	706	763	805	754	566
	Surface water (industrial water)	consolidated 1,000m <sup>3</sup>	7,758	7,897	8,138	8,003	7,912
	Groundwater (well water)	consolidated 1,000m <sup>3</sup>	2,388	1,918	1,947	1,819	1,847
	Others (reservoirs, rainwater storage)	consolidated 1,000m <sup>3</sup>	0	0	68	81	79
	<b>Total*<sup>1</sup></b>	<b>consolidated 1,000m<sup>3</sup></b>	<b>10,852</b>	<b>10,578</b>	<b>10,958</b>	<b>10,657</b>	<b>10,404</b>
	From water-stressed regions* <sup>2</sup>	consolidated 1,000m <sup>3</sup>	36	23	33	29	28
Amount of water discharged* <sup>3</sup>	Sea areas	consolidated 1,000m <sup>3</sup>	7,374	7,014	7,142	6,726	6,966
	Rivers	consolidated 1,000m <sup>3</sup>	2,682	2,400	2,410	2,351	2,443
	Sewers	consolidated 1,000m <sup>3</sup>	928	974	987	910	1,045
	<b>Total*<sup>1</sup></b>	<b>consolidated 1,000m<sup>3</sup></b>	<b>10,984</b>	<b>10,388</b>	<b>10,539</b>	<b>9,987</b>	<b>10,454</b>
Amount of water recycled		consolidated 1,000m <sup>3</sup>	0	0	0	0	0
Recycling rates		consolidated %	0	0	0	0	0

\*1 As figures have been rounded off, the totals in some columns do not exactly match the sum of each item above.

\*2 We have used the Aqueduct Water Risk Atlas with its 5 levels of water stress. Sites at Level 4 or above are considered "water-stressed regions."

\*3 Water of equal or higher quality is returned to the intake source

### ◆ Water-stress Investigation Results for Nippon Kayaku Group Manufacturing and R&D sites (FY2023)\*<sup>1</sup>

Region or Country Name		Unit	Water amounts used at each water stress level				
			High	Medium-high	Medium	Low-medium	Low
Asia	Japan	1,000m <sup>3</sup> (Number of bases)	0	0	2,799 (6)	7,216 (4)	0
	China	1,000m <sup>3</sup> (Number of bases)	0	15 (1)	0	0	213 (3)
	Malaysia	1,000m <sup>3</sup> (Number of bases)	0	0	0	0	45 (1)
Europe	Czech Republic	1,000m <sup>3</sup> (Number of bases)	0	0	0	21 (1)	0
	Netherlands	1,000m <sup>3</sup> (Number of bases)	0	0	0	0	3 (1)
	UK	1,000m <sup>3</sup> (Number of bases)	0	1 (1)	0	0	0
North and Central America	America	1,000m <sup>3</sup> (Number of bases)	0	0	5 (1)	74 (1)	0
	Mexico	1,000m <sup>3</sup> (Number of bases)	12 (1)	0	0	0	0
<b>Total*<sup>2</sup></b>		<b>1,000m<sup>3</sup>(Number of bases)</b>	<b>12 (1)</b>	<b>16 (2)</b>	<b>2,804 (7)</b>	<b>7,311 (6)</b>	<b>261 (5)</b>

\*1 We are currently using the Aqueduct Water Risk Atlas to investigate these points.

\*2 As figures have been rounded off, the totals in some columns do not exactly match the sum of each item above.

## Environmental Accounting

### ◆ Environmental Conservation Costs

Breakdown			Covering	Unit	2019		2020		2021		2022		2023	
					Invested amount	Costs	Invested amount	Costs	Invested amount	Costs	Invested amount	Costs	Invested amount	Costs
Inside business areas	Environmental pollution prevention	Air pollution prevention	non-consolidated	million yen	40.2	83.9	20.9	97.0	37.1	124.2	68.1	141.9	40.5	103.4
		Water pollution prevention	non-consolidated	million yen	70.5	148.0	109.7	174.8	266.9	178.9	206.7	186.0	0.0	186.3
		Underseepage prevention	non-consolidated	million yen	13.4	10.0	5.5	3.7	4.9	5.6	7.2	5.1	5.0	8.3
		Prevention of noise pollution and vibrations	non-consolidated	million yen	2.4	1.8	17.2	6.2	6.0	0.0	6.0	0.0	16.1	0.1
		Others	non-consolidated	million yen	-	386.0	-	435.0	-	394.7	-	7.0	-	6.4
Upstream and downstream	Global environmental conservation	non-consolidated	million yen	40.3	20.1	172.6	100.4	244.6	92.3	236.6	63.5	425.6	87.7	
	Resource recycling	non-consolidated	million yen	30.9	576.7	106.6	709.8	111.2	772.2	5.1	805.9	2.9	578.6	
	Commissioning of container and package recycling	non-consolidated	million yen	-	1.0	-	0.4	-	0.3	-	0.3	-	0.4	
	Sewage treatment expenses	non-consolidated	million yen	-	90.3	-	78.7	-	75.2	-	66.9	-	80.0	
	System preparation and operation	non-consolidated	million yen	-	87.4	-	105.3	-	174.9	-	93.3	-	85.9	
Management activities	Environmental burden monitoring	non-consolidated	million yen	-	38.5	-	42.5	-	38.3	-	38.4	-	39.9	
	Information disclosure	non-consolidated	million yen	-	5.6	-	6.3	-	6.3	-	6.3	-	6.3	
	Education, training and others	non-consolidated	million yen	-	80.1	-	59.4	-	59.3	-	59.6	-	60.2	
R&D	Greening up (tree planting, etc.)	non-consolidated	million yen	1.0	58.0	-	70.0	0.5	43.9	0.0	70.0	0.0	59.4	
		non-consolidated	million yen	-	81.7	-	57.2	-	39.2	-	158.3	-	85.5	
Community activities		non-consolidated	million yen	-	9.7	-	8.9	-	9.0	-	9.8	-	9.8	
Environmental damage		non-consolidated	million yen	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0	
Total *			non-consolidated	million yen	198.7	1,678.9	432.5	1,955.5	670.8	2,014.5	529.7	2,054.0	490.2	1,751.4

\* As figures have been rounded off, the totals in some columns do not exactly match the sum of each item above.

### ◆ Economic Benefits of Environmental Protection Measures

Items for which we seek to derive benefits	Main economic benefit details		Covering	Unit	2019	2020	2021	2022	2023
Inside business area benefits	Environmental pollution prevention benefits	Air pollution prevention	non-consolidated	million yen	0.0	0.0	0.0	0.0	0.0
		Water pollution prevention	non-consolidated	million yen	0.0	0.0	3.5	0.0	0.0
		Reduction of contamination load charges	non-consolidated	million yen	0.4	0.4	0.6	0.4	0.3
		Prevention of noise pollution and vibrations	non-consolidated	million yen	0.0	0.0	0.0	0.0	0.0
	Global environmental benefits	Prevention of global warming; energy-saving measures	non-consolidated	million yen	55.9	112.8	80.4	97.4	109.3
		Waste reduction	non-consolidated	million yen	9.5	9.5	4.1	2.6	2.2
	Waste and recycling	Outside sales of renewable resources	non-consolidated	million yen	12.9	10.5	17.3	25.9	38.2
		Others	non-consolidated	million yen	0.0	0.0	7.0	40.9	49.7
Upstream and downstream benefits	Container recycling		non-consolidated	million yen	62.6	73.6	54.2	38.3	38.8
Others			non-consolidated	million yen	0.0	0.0	0.0	0.0	0.0
Total*			non-consolidated	million yen	141.3	206.8	167.1	205.5	238.5

\* As figures have been rounded off, the totals in some columns do not exactly match the sum of each item above.

### ◆ Environmentally-related capital investments

Category	Covering	Unit	2019	2020	2021	2022	2023
Air pollution prevention equipment	non-consolidated	million yen	40.2	20.9	37.1	68.1	40.5
Water pollution prevention equipment	non-consolidated	million yen	70.5	109.7	266.9	206.7	304.5
Underseepage prevention equipment	non-consolidated	million yen	13.4	5.5	4.9	7.2	5.0
Equipment to prevent noise pollution and vibrations	non-consolidated	million yen	2.4	17.2	6.0	6.0	16.1
Industrial waste processing equipment	non-consolidated	million yen	30.9	106.6	111.2	5.1	2.9
Greening up plants (through tree-planting, etc.)	non-consolidated	million yen	1.0	1.8	0.5	3.3	0.0
Energy saving; Global warming prevention	non-consolidated	million yen	40.3	172.6	244.6	236.6	425.6
Total*	non-consolidated	million yen	198.7	434.3	671.3	533.0	794.7

\* As figures have been rounded off, the totals in some columns do not exactly match the sum of each item above.

## ◆ Safety and Health-related Equipment Certification

Category	Covering	Unit	2019	2020	2021	2022	2023
Measures against equipment deterioration	non-consolidated	million yen	469.0	292.9	490.9	245.0	454.9
Safety and work environment measures	non-consolidated	million yen	165.3	171.4	171.4	86.6	281.6
Measures against fires caused by explosion and leaks	non-consolidated	million yen	39.4	9.2	14.1	60.6	54.4
Measures regarding natural disasters such as earthquakes	non-consolidated	million yen	2.6	51.4	4.4	6.5	65.2
Others	non-consolidated	million yen	4.0	4.5	6.4	32.0	0.0
<b>Total*</b>	<b>non-consolidated</b>	<b>million yen</b>	<b>680.3</b>	<b>529.4</b>	<b>687.1</b>	<b>430.7</b>	<b>856.1</b>

\* As figures have been rounded off, the totals in some columns do not exactly match the sum of each item above.

## ISO Certification Status

### ◆ ISO14001 Certification

Area	Certification secured	Certifying Institution	Certification Number
Himeji Plant	March 1999	JIA-QA	JE0054H
Joetsu Plant (including the distribution center)	August 2002	SGS	JP15/071413
Fukuyama Plant	April 1999	JCQA	JCQA-E-0062
Asa Plant	September 1998	JCQA	JCQA-E-0987
Tokyo Plant	December 1998	JCQA	JCQA-E-0036
Takasaki Plant	January 2001	JCQA	JCQA-E-0101
Kashima Plant	March 1999	JCQA	JCQA-E-0046
Kayaku Safety Systems Europe	December 2002	BVCZ	250302-2017-AE-CZS-RvA
Kayaku Safety Systems (Huzhou)	June 2016	SNQA	42144
Kayaku Safety Systems de Mexico	June 2023	LRQA	00041092
Kayaku Safety Systems Malaysia	April 2017	SGS	MY17/02395
WUXI POLATECHNO OPTICS	April 2006	UCC	02420E31011518R2M
KAYAKU CHEMICAL (WUXI)	August 2006	UCC	02421E32060755R0M
WUXI ADVANCED KAYAKU CHEMICALS	July 2007	CQC	00121E33375R4M/3200
<b>Cover rate*</b>			<b>70%</b>

\* The proportion of production facilities with ISO14001 certification owned by either Nippon Kayaku or its consolidated subsidiaries.

\* The Nippon Kayaku Co., Ltd. Cover Rate (the proportion of production facilities with ISO14001 certification) stands at 100%

## Violations and accidents

### ◆ Cases of Environmentally-related Violations and Accidents

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Number of violations of environmental laws and regulations	consolidated	cases	0	0	0	0	0
Number of environmental accidents	consolidated	cases	0	0	0	0	0
Violations of laws and regulations; fines issued for environmental accidents; punishment costs	consolidated	yen	0	0	0	0	0

## Social

### Employee Situation

#### ◆ Employee Composition

Indicators	Category	Covering	Unit	2019	2020	2021	2022	2023
Regular employees	Male	consolidated	persons	-	-	-	3,883	3,991
	Female	consolidated	persons	-	-	-	1,797	1,832
	Neither/ Don't know	consolidated	persons	-	-	-	-	2
	<b>Total</b>	<b>consolidated</b>	<b>persons</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,680</b>	<b>5,825</b>
	<b>Female rate</b>	<b>consolidated</b>	<b>%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31.6</b>	<b>31.5</b>
	Male	non-consolidated	persons	1,730	1,751	1,754	1,748	1,770
	Female	non-consolidated	persons	323	326	330	333	343
	Neither/ Don't know	non-consolidated	persons	-	-	-	-	0
	<b>Total</b>	<b>non-consolidated</b>	<b>persons</b>	<b>2,053</b>	<b>2,077</b>	<b>2,084</b>	<b>2,081</b>	<b>2,113</b>
	<b>Female rate</b>	<b>non-consolidated</b>	<b>%</b>	<b>15.7</b>	<b>15.6</b>	<b>15.8</b>	<b>16.0</b>	<b>16.2</b>
Contracted/ part-time employees*	Male	consolidated	persons	-	-	-	-	444
	Female	consolidated	persons	-	-	-	-	246
	Neither/ Don't know	consolidated	persons	-	-	-	-	0
	<b>Total</b>	<b>consolidated</b>	<b>persons</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>726</b>	<b>690</b>
	Male	non-consolidated	persons	-	-	412	419	382
	Female	non-consolidated	persons	-	-	194	194	182
	Neither/ Don't know	non-consolidated	persons	-	-	0	0	0
	<b>Total</b>	<b>non-consolidated</b>	<b>persons</b>	<b>613</b>	<b>614</b>	<b>606</b>	<b>613</b>	<b>564</b>
	Male	consolidated	persons	-	-	-	89	90
	Female	consolidated	persons	-	-	-	132	103
Temp staff and others	Neither/ Don't know	consolidated	persons	-	-	-	-	0
	<b>Total</b>	<b>consolidated</b>	<b>persons</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>221</b>	<b>193</b>
	Male	non-consolidated	persons	-	5	19	24	26
	Female	non-consolidated	persons	-	14	28	44	37
	Neither/ Don't know	non-consolidated	persons	-	-	-	-	0
	<b>Total</b>	<b>non-consolidated</b>	<b>persons</b>	<b>-</b>	<b>19</b>	<b>47</b>	<b>68</b>	<b>63</b>

\* Average number of persons per year

## ◆ Management Composition

Indicators	Category	Covering	Unit	2019	2020	2021	2022	2023
Below Section Chief	Male	non-consolidated	persons	315	359	321	412	418
	Female	non-consolidated	persons	36	24	38	42	43
	Total	non-consolidated	persons	351	383	359	454	461
	Female rate	non-consolidated	%	10.2	6.2	10.5	9.3	10.3
Section Chief and above	Male	non-consolidated	persons	142	74	68	66	62
	Female	non-consolidated	persons	6	4	4	5	3
	Total	non-consolidated	persons	148	78	72	71	65
	Female rate	non-consolidated	%	4.0	5.1	5.5	7.0	4.6
Overall	Male	non-consolidated	persons	457	468	476	478	480
	Female	non-consolidated	persons	42	44	47	47	46
	Total	non-consolidated	persons	499	512	523	525	526
	Female rate	non-consolidated	%	8.4	8.6	9.0	9.0	8.8

## ◆ Age

Indicators	Category	Covering	Unit	2019	2020	2021	2022	2023
Age groups	29 and under	non-consolidated	persons	402	394	376	362	359
	30-39	non-consolidated	persons	580	579	575	578	610
	40-49	non-consolidated	persons	582	576	585	589	559
	50-59	non-consolidated	persons	497	523	547	498	580
	Over 60	non-consolidated	persons	8	5	1	1	5
Average age	Male	non-consolidated	age	39.7	39.8	40.2	40.4	40.6
	Female	non-consolidated	age	42.3	42.6	42.8	42.9	42.9
	Total	non-consolidated	age	41.0	40.3	40.6	40.8	41.0

## ◆ Continuous Service

Indicators	Category	Covering	Unit	2019	2020	2021	2022	2023
Average number of years of continuous service	Male	non-consolidated	years	14.1	14.2	14.5	14.4	14.9
	Female	non-consolidated	years	16.2	16.5	16.6	16.6	16.4
	Total	non-consolidated	years	15.2	14.6	14.9	15.1	15.1

## ◆ Freedom of Association

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Number of union members <sup>*1</sup>	non-consolidated <sup>*3</sup>	persons	1,871	1,753	1,695	1,687	1,697
Union membership rate <sup>*2</sup>	non-consolidated <sup>*3</sup>	%	100	100	100	100	100

<sup>\*1</sup> The number of persons for each financial year is accurate as of March 31st

<sup>\*2</sup> Number of union members/number of qualified persons (excluding managers and persons specified in agreements)

<sup>\*3</sup> Includes some related companies

## Diversity

## ◆ Recruitment

Indicators	Category	Covering	Unit	2019	2020	2021	2022	2023
New employees (graduates) <sup>*1</sup>	Male	non-consolidated	persons	60	49	41	37	45
	Female	non-consolidated	persons	4	8	7	6	13
	Total	non-consolidated	persons	64	57	48	43	58
	Female rate	non-consolidated	%	6.2	14.0	14.5	14.0	22.4
New employees (mid-career) <sup>*2</sup>	Male	non-consolidated	persons	35	28	32	45	44
	Female	non-consolidated	persons	3	6	7	10	15
	Total	non-consolidated	persons	38	34	39	55	59
	Female rate	non-consolidated	%	7.8	17.6	17.9	18.2	25.4

<sup>\*1</sup> Numbers entering the company in the April of the following financial year

<sup>\*2</sup> Numbers entering the company between the April of one financial year and the March of the following financial year

## ◆ Rates of disabled employees

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Disabled employees	consolidated	persons	-	-	-	92	68
Disabled employment rate <sup>*1</sup>	consolidated	%	-	-	-	1.44	1.04
Disabled employment rate <sup>*2</sup>	non-consolidated	%	2.04	2.01	2.00	1.98	1.93
(Statutory employment rate)	non-consolidated	%	2.20	2.20	2.30	2.30	2.30

<sup>\*1</sup> Disabled employee numbers have been removed from the total of regular employees, contracted employees and part-time employees, hence calculation methods differ from those used for statutory employment rates.

<sup>\*2</sup> Each year's data is accurate as of Jun 1st

## ◆ Employment of retired employees

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Employment of retired employees	non-consolidated	persons	61	42	22	29	30
Employment rate of retired employees	non-consolidated	%	89.7	95.4	84.6	85.2	85.7



## Work-life Balance

### ◆ Working hours

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Average number of annual hours worked per worker	non-consolidated	hours	1,911	1,885	1,911	1,896	1,876
Average monthly overtime hours	non-consolidated	hours	12.7	11.3	12.7	11.9	11.2

### ◆ Paid Leave

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Average number of days of annual paid leave taken	non-consolidated	days	11.1	12.2	11.1	12.0	13.3
Annual Paid Leave take-up rate	non-consolidated	%	60.1	65.8	59.8	63.7	72.8

### ◆ Childcare

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Commencement of Maternity Leave*1	non-consolidated	persons	13	13	11	22	21
Commencement of Childcare Leave*1	Male	non-consolidated	5	11	9	62	50
	Female	non-consolidated	13	13	11	22	16
Childcare Leave System take-up rate*2	Male	non-consolidated	11.9	31.4	27.2	69.6	78.5
	Female	non-consolidated	100	100	100	100	100
Post-childbirth and post-Childcare Leave return-to-work rate	Male	non-consolidated	100	100	100	100	100
	Female	non-consolidated	100	100	100	100	100
Post-childbirth and post-Childcare Leave retention rate	Male	non-consolidated	100	100	100	100	100
	Female	non-consolidated	100	100	100	100	100
Reduced Working Hours for Childcare take-up rate	Male	non-consolidated	2	0	1	2	3
	Female	non-consolidated	31	43	42	48	52

\*1 Not including leave taken during the last financial year which crosses over into this financial year

\*2 FY2022 calculations for the rates of Childcare Leave and Leave for the Purpose of Childcaring have been made using the methods in Article 71.4.2.

### ◆ Nursing Care

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Employees taking Nursing Care Leave	non-consolidated	persons	1	0	0	0	1
Nursing Care Leave System users	non-consolidated	persons	1	1	0	2	3

### ◆ Pay

Indicators		Covering	Unit	2019	2020	2021	2022	2023
Average annual pay	Male	non-consolidated	1,000 yen	7,526	7,423	7,683	8,003	7,704
	Female	non-consolidated	1,000 yen	6,119	6,133	6,366	6,707	6,336
	Overall	non-consolidated	1,000 yen	7,307	7,224	7,477	7,801	7,488

### ◆ Employees leaving the company

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Regular employees leaving the company for personal reasons	consolidated	persons	-	-	-	535	282
Rate of regular employees leaving the company for personal reasons	consolidated	%	-	-	-	9.4	4.8
Regular employees leaving the company for personal reasons	non-consolidated	persons	37	41	48	50	51
Turnover rate	non-consolidated	%	2.2	2.2	2.3	2.3	2.9
Rate of employees leaving the company for personal reasons	non-consolidated	%	1.7	1.8	2.1	2.4	2.4
Employees leaving the company within 3 years of joining*	non-consolidated	persons	5	7	7	4	5
Rate of employees leaving the company within 3 years of joining	non-consolidated	%	3.0	4.0	4.0	2.0	3.0

\* The number of new graduate hires in each financial year quitting within the first 3 years

### ◆ Transfers

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Transfers	non-consolidated	persons	2	1	2	3	3

### ◆ Employee Engagement Survey Results

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Response rate	non-consolidated	%	-	-	-	-	85.9
Employee engagement	non-consolidated	score	-	-	-	-	47.1

### ◆ Number of Labor Standards Law Violations

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Number of labor standard violations	non-consolidated	cases	-	-	-	1	0

## Human Resources Development

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Training hours per regular employee	non-consolidated	hours	-	14	13	15	17.7
Total training hours	non-consolidated	hours	-	29,156	27,092	31,045	37,465
Amount invested in education and training per employee	non-consolidated	yen	76,122	35,706	66,606	83,002	76,565

## Occupational Safety and Health

### ◆ Occupational Safety and Health Management System (ISO45001 ) Certified Business Sites

Business Site	Certification secured	Certifying Institution	Certification Number
Kayaku Safety Systems (Huzhou)	January 2023	NQA	132021
Cover Rate *			
			5%

\* The proportion of production facilities with ISO14001 certification owned by either Nippon Kayaku or its consolidated subsidiaries  
Even business sites without ISO45001 certification have Occupational Safety and Health Management Systems of equivalent standard.

### ◆ Occupational Hazards

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Number of work-related accidents resulting in death and other serious accidents	non-consolidated	cases	0	0	0	0	0
Number of work-related employee deaths	Regular employees	consolidated	persons	0	0	1	0
	Contracted employees/ part-time employees	consolidated	persons	0	0	0	0
	Partner company employees* <sup>1</sup>	consolidated	persons	0	0	0	0
Rate of Lost Time Injuries	Regular employees	non-consolidated	*2	0.4 (2 cases)	0.18 (1 cases)	0.19 (1 cases)	0 (0 cases)
	Contracted employees/ part-time employees	non-consolidated	*2	0	0	0	0
	Partner company employees* <sup>1</sup>	non-consolidated	*2	0	0	0	0
	Employees	Group companies	*2	-	-	-	1.5 (9 people)
Lost Time Injury Intensity Rate	non-consolidated	*3	0.031	0	0	0	0
Number of violations of Occupational Safety and Health-related regulations and standards	non-consolidated	cases	0	0	0	0	0

\*1 Partner company employees: contractor (company) employees, temp (company) staff

\*2 Occupational hazard-related deaths and injuries per every 1 million actual working hours

\*3 Number of working days lost per every 1000 actual working hours

### ◆ Employee Health

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Regular health check take-up rate	non-consolidated	%	100	100	100	100	100
Stress-check take-up rate*	non-consolidated	%	97.3	97.2	98.1	97.9	98.0
Proportion of "highly-stressed" persons	non-consolidated	%	9.6	9.5	10.6	10.0	10.1
Mental health-related investments	non-consolidated	million yen	10.8	11.0	13.0	12.6	12.6

\* Excluding employees on administrative leave

## Quality

### ◆ Business Sites with Quality Management System Certification

Business Site Name	ISO9001	ISO13485	IATF16949	ISO22000
Safety Head Plant (Himeji)			●	
Safety Systems Group				
Research & Development Head Office				
Polatechno Group				
Joetsu Plant	●			
WUXI POLATECHNO OPTICS				
Fukuyama Plant				
Asa Plant				
Tokyo Plant	●			
Fine Chemicals Business Unit				
Fine Chemicals Research Lab				
Taiwan Nippon Kayaku (Fine Chemicals Business Unit)				
Takasaki Plant		●		
Pharmaceuticals Group	●			
Pharmaceuticals Research Laboratories		●		
Kashima Plant				
Agrochemicals Group	●			
Agrochemicals Laboratories				
Kayaku Safety Systems Europe			●	
Kayaku Safety Systems (Huzhou)			●	
Kayaku Safety Systems de Mexico			●	
Kayaku Safety Systems Malaysia			●	
MOXTEK	●			
Dejima Optical Films	●			
RaySpec	●			
KAYAKU CHEMICAL (WUXI)	●			
Kayaku Advanced Materials	●	●		
WUXI ADVANCED KAYAKU CHEMICALS	●			
NIPPONKAYAKU FOOD TECHNO	●			●

### ◆ Certification Status for GMP Approval

Business site name	Principal certifying countries
Takasaki Plant	Japan, America, Europe

## R&D

Indicators	Covering	Unit	2019	2020	2021	2022	2023
R&D costs	consolidated	billion yen	11.0	12.4	13.0	13.3	19.8
R&D costs as a percentage of sales	consolidated	%	6.3	7.2	7	6.7	9.8

## CSR

Indicators	Covering	Unit	2019	2020	2021	2022	2023
CSR expenditure	non-consolidated	million yen	254	146	154	149	158
Total donations	non-consolidated	million yen	222	114	123	120	126
Other CSR expenditures	non-consolidated	million yen	31	32	31	29	32

## Governance

### Corporate Governance

#### ◆ Board Member Composition\*

Indicators	Covering		Unit	2019	2020	2021	2022	2023
Directors	Inside	Male	persons	7	7	6	6	6
		Female	persons	0	0	0	0	0
		Total	persons	7	7	6	6	6
	Outside (Independent)	Male	persons	2 (2)	3 (3)	3 (3)	3 (3)	3 (3)
		Female	persons	0	0	0	0	1 (1)
		Total	persons	2 (2)	3 (3)	3 (3)	3 (3)	4 (4)
	Overall Total (Independent)		persons	9 (2)	10 (3)	9 (3)	9 (3)	10 (4)
Average term		years	2.0	2.7	3.0	4.0	4.6	
Independent Outside Director Percentage (Results)		%	22	30	33	33	40	
Female Director Percentage		%	0	0	0	0	10	
Executive Directors		persons	7	7	6	6	6	

\* Each year's data is accurate as of the Shareholders Meeting yearly held on June

#### ◆ Audit & Supervisory Board Member Composition\*

Indicators	Covering		Unit	2019	2020	2021	2022	2023
Auditors	Inside	Male	persons	2	2	1	1	1
		Female	persons	0	0	1	1	1
		Total	persons	2	2	2	2	2
	Outside (Independent)	Male	persons	3 (2)	3 (2)	3 (2)	3 (3)	3 (3)
		Female	persons	0	0	0	0	0
		Total	persons	3 (2)	3 (2)	3 (2)	3 (3)	3 (3)
	Overall Total (Independent)		persons	5 (2)	5 (2)	5 (2)	5 (3)	5 (3)
Average term		years	1.8	2.8	3.0	4.0	4.4	
Independent Outside Auditor Percentage (Results)		%	20	40	40	60	60	
Female Auditor Percentage		%	0	0	20	20	20	

\* Each year's data is accurate as of the Shareholders Meeting yearly held on June

#### ◆ Number of Committee Meetings Held

	Meeting Frequency	Meetings Held				
		2019	2020	2021	2022	2023
Board of Directors	Monthly	14	14	14	14	14
Nominations & Remuneration Advisory Committee	Whenever necessary	-	3	5	6	6
Sustainable Management Meeting	Weekly	50	51	48	50	48
Executive Directors Meeting	Quarterly	4	4	4	4	4
Management Strategy Meeting	Twice a year	2	2	2	2	2
Audit & Supervisory Board	Monthly	12	12	12	12	12
Ethics Committee	Twice a year	2	2	2	2	2
Risk Management Committee	Twice a year	2	2	2	2	4
Environment, Safety and Quality Management Committee	Twice a year	2	2	2	2	2
Research & Development Management Committee	Twice a year plus convened ad hoc by the chairman when required	1	1	3	2	2

\* Each financial year's data is taken from April to March

#### ◆ Board Member Attendance at Committee Meetings (FY2023)\*

Executive Title	Name	Board Meeting attendance	Nominations & Remuneration Advisory Committee attendance
President and Representative Director	Atsuhiko Wakumoto	14/14	6/6
Representative Director	Tomoo Shibuya	14/14	5/5
Member of the Board	Yoshimi Inoue	11/11	-
Member of the Board	Yoshitsugu Ishida	14/14	-
Member of the Board	Masatomi Akezuma	14/14	-
Member of the Board	Shigeyuki Kawamura	11/11	-
Outside Director (Independent)	Yo Ota	13/14	5/6
Outside Director (Independent)	Yasuyuki Fujishima	14/14	6/6
Outside Director (Independent)	Seiichi Fusamura	12/14	4/6
Outside Director (Independent)	Ikuko Akamatsu	11/11	4/4
Average rate of attendance		97.9%	91.7%

\* Data taken from April 2023 to March 2024

#### ◆ Audit & Supervisory Board Members Attendance at Committee Meetings (FY2023)\*

Position	Name	Board Meetings attended	Auditor attendance
Standing Auditor	Megumi Machida	14/14	12/12
Standing Auditor	Yoichiro Wada	11/11	10/10
Outside Auditor (Independent)	Katsuji Higashi	14/14	12/12
Outside Auditor (Independent)	Yasuhiro Osaki	14/14	12/12
Outside Auditor (Independent)	Ichiro Wakasa	14/14	12/12
Average rate of attendance		100%	100%

\* Data from April 2023 to March 2024

### ◆ Executive Remuneration\*

	Category	Unit	2019	2020	2021	2022	2023
Directors	Total remuneration amount	million yen	443	449	410	382	349
(Outside Directors excepted)	Number of directors concerned	persons	9	7	8	6	8
Auditors	Total remuneration amount	million yen	44	44	45	45	45
(Outside Directors excepted)	Number of directors concerned	persons	3	2	3	2	3
Outside Directors	Total remuneration amount	million yen	40	47	55	57	71
	Number of directors concerned	persons	5	6	6	7	7
Total		million yen	527	540	510	484	465

\* The above figures and remuneration amounts for directors and auditors include those of directors retiring at the time of the Shareholders Meeting yearly held on June.

Furthermore, our outside directors have not received any remuneration from Nippon Kayaku Group companies.

### ◆ Remuneration for CPA Auditors (consolidated)

Indicators	Unit	2019	2020	2021	2022	2023
Remuneration based on audit and certification work	million yen	102	89	80	73	79
Remuneration not based on audit work	million yen	1	0	0	0	0
<b>Total</b>	<b>million yen</b>	<b>103</b>	<b>89</b>	<b>80</b>	<b>73</b>	<b>79</b>

## Compliance

### ◆ Inside Whistleblowing Cases

Contents of Complaints and Consultations	Covering	Unit	2019	2020	2021	2022	2023
Harrassment (power harrassment, sexual harrassment, etc.)	non-consolidated	cases	8	6	2	7	16
Violations of company rules or manners	non-consolidated	cases	2	0	0	2	3
Work or labor-related	non-consolidated	cases	1	1	1	3	5
Others	non-consolidated	cases	0	0	1	4	3
<b>Total</b>	<b>non-consolidated</b>	<b>cases</b>	<b>11</b>	<b>7</b>	<b>4</b>	<b>16</b>	<b>27</b>

### ◆ Number of Whistleblowing Complaints and Consultations from Suppliers

Whistleblowing	Covering	Unit	2019	2020	2021	2022	2023
Whistleblowing complaints and consultations from suppliers	non-consolidated	cases	-	-	0	1	0

### ◆ Employees punished, fined or dismissed for causing Anti-Corruption Policy violations

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Number of violations of anti-corruption-related policies	non-consolidated	cases	0	0	0	0	0
Employee punishments and dismissals	non-consolidated	cases	0	0	0	0	0
Corruption-related fines issued	non-consolidated	yen	0	0	0	0	0
Applications of corruption-related penalties	non-consolidated	cases	0	0	0	0	0

### ◆ Political Donations

Indicators	Covering	Unit	2019	2020	2021	2022	2023
Political donations	non-consolidated	10,000 yen	118	113	104	106	89

## Risk Management

### ◆ Business Sites Certified by the Trusted Information Security Assessment Exchange (TISAX), (concerned with the global automotive industry supply chain)

Business Site	Certification secured	Registered for inspection with	Certification Number
Kayaku Safety Systems Europe	January 2023	DNV	SW215F
Kayaku Safety Systems de Mexico	January 2023	TUV NORD DE MEXICO	S6485M

### Categories of Shares Issued (As of 2024-03-31)

Category	Number of shares	Number of voting shares	Details
Non-voting shares	-	-	-
Restricted voting shares (treasury stocks etc.)	-	-	-
Restricted voting shares (other)	-	-	-
Full voting shares (treasury stocks etc.)	(treasury stocks) Common shares 4,632,700 (Mutually-held shares) Common shares 28,000	-	-
Full voting shares (other)	Common shares 165,649,900	1,656,499	-
Shares of less than one unit*	Common shares 192,970	-	-
Total number of shares issued	170,503,570	-	-
General shareholder voting shares	-	1,656,499	-

\* Shares of less than one unit include 85 of our own company's treasury stocks.

## Independent Third-Party Inspection Reports



### Independent Assurance Statement

September 18, 2024

Mr. Atsuhiko Wakumoto  
President  
Nippon Kayaku Co., Ltd.

#### 1. Purpose

We, Sustainability Accounting Co., Ltd., have been engaged by Nippon Kayaku Co., Ltd., ("the Company") to provide limited assurance on the Company's following data of domestic and overseas Group companies during the fiscal year 2023, 2.08 million GJ of energy consumption, 30.2 kt-CO<sub>2</sub> for Scope 1, 72.5 kt-CO<sub>2</sub> for Scope 2 (market-based) and 346 kt-CO<sub>2</sub> for Scope 3 (categories 1, 2, 3, 4, 5, 6, 7, 9, 12, 13), 10.4 million m<sup>3</sup> of water intake, and 22.1 kt of waste generated (collectively, "the Environmental performance data"). The purpose of this process is to express our conclusion on whether the Environmental performance data were calculated in accordance with the Company's standards. The Company's management is responsible for calculating the Environmental performance data. Our responsibility is to independently carry out a limited assurance engagement and to express our assurance conclusion.

#### 2. Procedures Performed

We conducted our assurance engagement in accordance with International Standard on Assurance Engagement 3000 (ISAE 3000) and International Standard on Assurance Engagement 3410 (ISAE 3410). The key procedures we carried out included:

- Interviewing the Company's responsible personnel to understand the Company's standards
- Reviewing the Company's standards
- Performing cross-checks on a sample basis and performing a recalculation to determine whether the Environmental performance data were calculated in accordance with the Company's standards.

#### 3. Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Environmental performance data have not been calculated in all material respects in accordance with the Company's standards.

We have no conflict of interest relationships with the Company.



Takashi Fukushima  
Representative Director  
Sustainability Accounting Co., Ltd.

## External Evaluations and Awards

### ESG Index Inclusions and Ratings (as of July 2024)

#### FTSE Blossom Japan Sector Relative Index



#### FTSE Blossom Japan Sector Relative Index

The FTSE Blossom Japan Sector Relative Index, devised by FTSE Russell, is a sector-neutral index which reflects the performance of the Japanese companies with outstanding Environmental, Social and Governance (hereafter: ESG) practices relative to others in their sector. The index has been adopted by the Government Pension Investment Fund (hereafter: GPIF) as one of its benchmark stock indexes.

[FTSE Blossom Japan Sector Relative 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.

2022	2023	2024
○	○	○

#### MSCI Nihonkabu ESG Select Leaders Index

2024 CONSTITUENT MSCI NIHONKABU  
ESG SELECT LEADERS INDEX

The MSCI Nihonkabu Select Leaders Index is comprised of MSCI parent index (MSCI Nihonkabu IMI Index) companies that are demonstrating outstanding ESG performance in each industry sector. This index is also among those adopted as a benchmark by the GPIF.

[MSCI Nihonkabu ESG Select Leaders Index](#)

The inclusion of Nippon Kayaku Co., Ltd. in any MSCI index, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of Nippon Kayaku Co., Ltd. by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names and logos are trademarks or service marks of MSCI or its affiliates.

2022	2023	2024
	○	○

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

2024 CONSTITUENT MSCI JAPAN  
EMPOWERING WOMEN INDEX (WIN)

The MSCI Japan Empowering Women Index is derived from its MSCI Japan IMI Top 700 parent index, and comprises the companies with outstanding records of promoting women's empowerment. This index is also among those adopted as a benchmark by the GPIF.

[MSCI Japan Empowering Women Index \(WIN\)](#)

The inclusion of Nippon Kayaku Co., Ltd. in any MSCI index, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of Nippon Kayaku Co., Ltd. by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names and logos are trademarks or service marks of MSCI or its affiliates.

2022	2023	2024
○	○	○

#### MSCI ESG Ratings



MSCI ESG Ratings are derived from MSCI surveys and analysis of the extent to which companies are appropriately managing ESG risks. This seven-grade rating system from AAA to CCC serves as the global index for ESG investment. The Nippon Kayaku Group's rating for 2024 was AA.

[MSCI ESG Ratings](#)

The inclusion of Nippon Kayaku Co., Ltd. in any MSCI index, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of Nippon Kayaku Co., Ltd. by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names and logos are trademarks or service marks of MSCI or its affiliates.

2022	2023	2024
BBB	A	AA

## S&P/JPX Carbon Efficient Index



The S&P JPX Carbon Efficient Index is an environmental stock index jointly developed by S&P Dow Jones Indices. It weights and ranks TOPIX companies based on how well they disclose environmental information and carbon efficiency (carbon emissions per unit of sales), and is also among the indexes adopted as a benchmark by the GPIF.

➤ [S&P/JPX Carbon Efficient Index](#) 

2022	2023	2024
○	○	○

## Morningstar Japan ex-REIT Gender Diversity Tilt Index

The Morningstar ex-REIT Gender Diversity Tilt Index (hereafter: GenDi J) makes use of the data and evaluation methods supplied by Equileap to rank companies based on the extent to which their gender diversity policies have been instilled throughout the organization, and on how they promote equal opportunities regardless of gender. Companies are placed into one of five groups depending on their score, with the Nippon Kayaku Group currently featuring in GenDi J Group 2. This index is also among those adopted as a benchmark by the GPIF.

➤ [Morningstar Japan ex-REIT Gender Diversity Tilt Index](#) 

2022	2023	2024
	○	○

## Certification

### RBA (Responsible Business Alliance) Audit sees Kayaku Advanced Materials Certified Silver

The RBA (Responsible Business Alliance) is a corporate alliance which promotes social responsibility with respect to the global supply chain. Its remit involves fixing the necessary regulations to guarantee that the global supply chain sees safe working conditions, workers treated with respect and dignity, and due consideration given to the environment in the conduct of corporate activities.

Kayaku Advanced Materials (KAM) underwent an RBA Third-Party Audit (VAP Audit) in both 2021 and 2023. Its appropriate management in the audit areas of Labor, Safety & Health, Environment, Ethics and Management Systems was duly recognized, and deemed worthy of Silver Certification.

2021	2023
Silver Certification	Silver Certification

## Recognition and Awards

### CDP



CDP is an international NGO that operates a global disclosure system based on examination and evaluation of information demanded from companies and cities on climate change measures, water resource protection and forest conservation. FY2023 saw the Nippon Kayaku Group earn an A- for its Climate Change Report and a B for its Water Security Report.

	2022	2023
Climate Change	A-	A-
Water Security	C	B

### EcoVadis

EcoVadis SS (headquartered in France) hosts an ESG rating platform that assesses over 85,000 companies and organizations from 160 countries and 200 sectors. Comprehensive evaluations are made in the four fields of environment, labor and human rights, ethics, and sustainable resource procurement. June 2023 saw the Nippon Kayaku Group earn a bronze medal for its achievements in the sustainability field.

## BroadBand Security (Gomez ESG Site Ranking)



The Gomes ESG Site Ranking 2024 was compiled by BroadBand Security, Inc., which rated companies from the five perspectives of: website user-friendliness, ESG sharing, E (environment), S (social) and G (governance), factoring in not only principal users such as shareholders and investors but also a wide range of stakeholders. 2024 saw the Nippon Kayaku Group selected as an "Outstanding Company."

➤ [Gomez ESG Site Ranking \(Japanese\)](#) 

## Editorial Policy

The aim of this Sustainability Website is to ensure that all our stakeholders (employees, customers, suppliers, shareholders, investors and local communities) have a thorough understanding of the Nippon Kayaku Group's ESG (Environment, Social and Governance) initiatives. The information published here chiefly pertains to the Important Sustainability Issues we identified in FY 2022. We are making the most of the website's features to publish comprehensive information on our policies, organizational structure, performance indicators, initiatives and numerical data. We also report on various guidelines (such as GRI and ISO26000 standards) depending on how important we deem them to be with respect to our group and society at large.

### Reporting Period

FY 2023 (Apr 1<sup>st</sup> 2023 to Mar 31<sup>st</sup> 2024)  
A section of the data within pertains to the period Jan 1<sup>st</sup> 2023 to Dec 31<sup>st</sup> 2023.  
Certain reports on activities and initiatives may also include information from before and/or after the above periods (when providing the latest information).

### Report Focus

Nippon Kayaku Co., Ltd.

### Consolidated Subsidiary Companies

- Kayaku Safety Systems Europe
  - Kayaku Safety Systems (Huzhou) Co., Ltd
  - Kayaku Safety Systems de Mexico S.A. de C.V.
  - Kayaku Safety Systems Malaysia Sdn.Bhd.
  - NIPPON KAYAKU AMERICA, INC.
  - POLATECHNO CO., LTD
  - MOXTEK, Inc.
  - WUXI POLATECHNO OPTICS CO., LTD
  - Dejima Tech B.V.
  - Dejima Optical Films B.V.
  - RaySpec Ltd.
  - NIKKA FINE TECHNO CO., LTD
  - Nippon Kayaku Korea Co., Ltd
- Euro Nippon Kayaku GmbH
  - Kowa Sangyo Co., Ltd
  - KAYAKU CHEMICAL (WUXI) CO., LTD
  - KAYAKU Advanced Materials Inc.
  - Gilmore Road Property, LLC
  - Teikoku Taping System Co., Ltd
  - WUXI ADVANCED KAYAKU CHEMICAL CO., LTD
  - Shanghai Kayaku International Trading Co., Ltd
  - Nippon Kayaku (Thailand) Co., Ltd
  - NIPPON KAYAKU FOOD TECHNO CO., LTD
  - Taiwan Nippon Kayaku Co., Ltd
  - Kayaku (Shanghai) Co., Ltd
  - Wako Toshi Kaihatsu Co., Ltd.

\* Consolidated subsidiaries with manufacturing facilities have been listed with a ○ beside their name. Including 7 Nippon Kayaku plants, we have 20 manufacturing facilities in total (as of July 26<sup>th</sup> 2024).

### Publication date

Jul 26<sup>th</sup> 2024

### Reporting Cycle

1 year (Previous issue: Jul 2023; Next issue: Jul 2025)

### Guidelines consulted

GRI (Global Reporting Initiatives) Standards  
SASB (Sustainability Accounting Standards Board) Standards  
ISO26000  
Ministry of the Environment, Japan (Environmental Accounting Guidelines: 2005 Edition)  
TCFD (Task Force on Climate-Related Financial Disclosures) recommendations

### Third-Party Inspections

Since 2021, the Nippon Kayaku Group has sought to increase the reliability of its environmental performance data on greenhouse gas emission levels (Scope 1, Scope 2 and Scope 3). To that end, it has commissioned third-party inspection reports from Sustainability Accounting Co., Ltd. and subsequently published the results. From 2023, the inspection report covers levels of energy consumption, water use, and waste alongside greenhouse gas emissions.  
For further details, please see the section on [Independent Third-Party Inspection Reports](#).

### Media for Information Disclosure

In addition to via this website, sustainability information is disclosed through the following publications.

Publication	Format	Released
Sustainability Report	<a href="#">PDF</a>	October
Integrated Report	<a href="#">PDF</a>	December
Corporate Governance Report	<a href="#">PDF</a>	June
Securities Report	<a href="#">PDF</a> <a href="#">(Japanese Only)</a>	June



Enquiries

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Forward-Looking Statements

This website not only contains facts about the past and present, but also predictions, forecasts, targets and plans related to the future. All such references to the future are based on the information available at the time of publication. Naturally, due to a variety of factors, our forecasts may differ substantially from actual future business results. We therefore kindly remind website users to exercise their own judgment when utilizing the information within.