



Nissan Chemical
CORPORATION

Presentation for ESG

March 31, 2023

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Sustainability Group Leader
Sustainability Promotion & IR Dept.

Translation of presentation materials for ESG presentation held on March 31, 2023

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ESG Index and Third-party Recognition

Dow Jones Sustainability Asia Pacific Index

- December 2022 Selected as a constituent for 5 consecutive years



S&P/JPX Carbon Efficient Index

- March 2022 Selected as a constituent for 4 consecutive years



FTSE

- June 2022: Selected as a constituent of FTSE4Good Index Series, FTSE Blossom Japan Index for 3 consecutive years
- April 2022: Selected as a constituent of FTSE Blossom Japan Sector Relative

1. FTSE Russell confirms that Nissan Chemical has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Sector Relative Index. The FTSE Blossom Japan Sector Relative Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.



MSCI Japan Empowering Women (WIN) Select Index

- December 2022 Selected as a constituent for 3 consecutive years
- 2022 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)**

2. THE INCLUSION OF NISSAN CHEMICAL CORPORATION 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 NISSAN CHEMICAL CORPORATION 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.

Certified Health & Productivity Management Organization (White 500)

- March 2023 Acquired for 7 consecutive years



“Childcare Support Company” Kurumin

- January 2023 Acquired for 2 consecutive years



Highly Improved Integrated Report by the Domestic Equity Managers of GPIF

- February 2022 Selected as “Excellent Integrated Report” for 2 consecutive years
- February 2023 Selected as “Highly Improved Integrated Report”

Task Force on Climate-related Financial Disclosures (TCFD)

- August 2020 Announced its support for recommendations



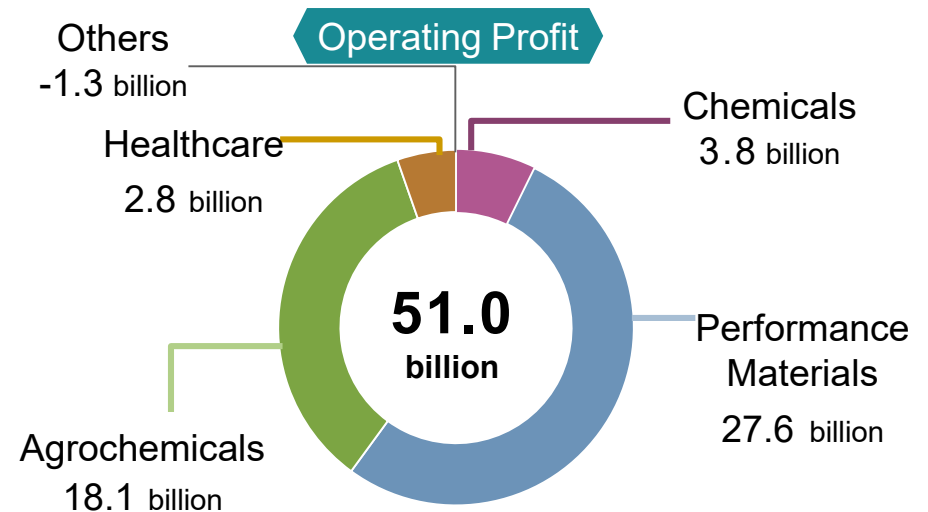
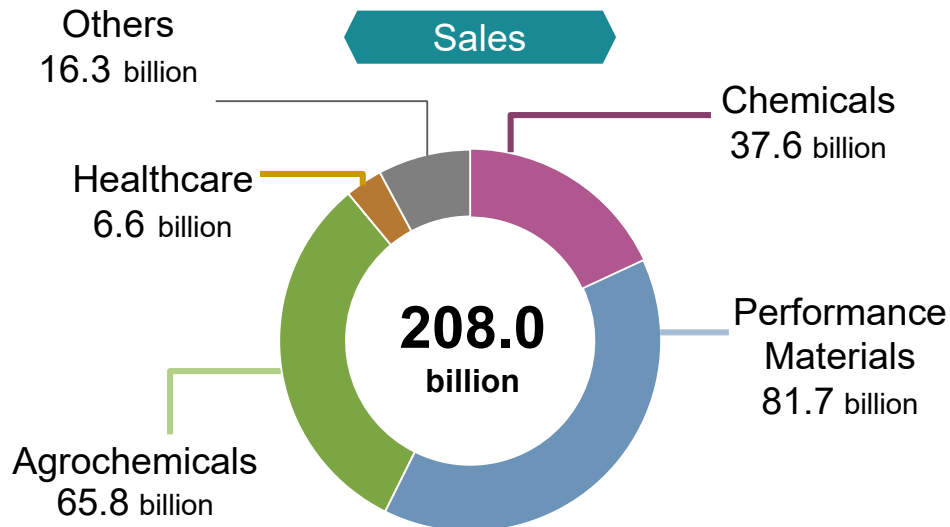
GX League

- February 2023 Announced its support for recommendations
- April 2023 Announced its participation



Summary of Nissan Chemical Corporation

Corporate Name	Nissan Chemical Corporation		
Head Office	5-1, Nihonbashi 2-Chome, Chuo-ku, Tokyo		
Founded	February 28, 1887		
Common Stock	¥18,942 million		
Business Fields	Chemicals, Performance Materials, Agrochemicals, Healthcare and Others		
Number of Employees	Consolidated: 2,737 Non-Consolidated: 1,929 As of March 2022		
Sales	¥ 208.0 billion (FY2021)	Operating Profit	¥51.0 billion (FY2021)



Mission Statement (Our Values)

“Contribute to society with excellent technologies and products”

“Promote prosperity and welfare through concerted efforts to constantly develop new areas”

“Respect people who exhibit a sense of responsibility, originality and motivation.”

Corporate Philosophy (Raison d'être/ Corporate Purpose)

Contribute to the protection of the global environment and the existence/development of humanity, offering the value sought by society

Course of Action

- (1) Conduct sensible business activities as a member of the international community in compliance with laws and regulations.
- (2) Enhance corporate value by providing safe and useful products and services.
- (3) Strive to achieve no-accidents & no-disasters and protect the global environment.
- (4) Disclose information appropriately with a focus on communication with stakeholders.
- (5) Create a cheerful and pleasant workplace by respecting the individuality and personalities, and promoting health of employees.
- (6) Conduct ourselves as good corporate citizens and decent members of society.

Corporate Slogan

“WHERE IT ALL BEGINS”

The History of Nissan Chemical

1887

Jokichi Takamine and Eiichi Shibusawa founded Japan's first chemical fertilizer manufacturer "Tokyo Jinzo Hiryo"



1923

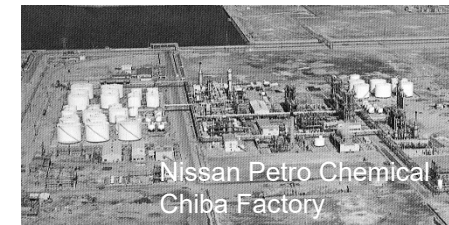
Merged with Kanto Sanso and Nippon Kagaku Hiryo for diversification

Changed name to "Nissan Chemical Industries, Ltd." under the jurisdiction of "Nissan Concern"

Separate oil and fats business (exists as NOF CORPORATION) under Corporate Restructuring

1965

Founded Nissan Petro Chemical, however the industry experienced a structural slump due to the impact of the oil crises. The Company begun rationalization and decided to withdraw from the industry in 1988



1989

Started Mid-term Business Plan setting "High technology field such as Agrochemical and Healthcare" and "Technology field such as Performance Materials and Chemicals" as a core business. Entered to Semis field and launched big Agrochemical and Healthcare products



Lithography using ARC®

2016

Started Long-term Business Plan "Progress2030" aiming 2030"

Expand business beyond the frame of "Industries". Changed name to "Nissan Chemical Corporation" to show the attitude to accelerate this flow

2022

Started New Long-term Business Plan "Atelier2050" aiming 2050

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Long-term Business Plan “Atelier2050”

Considering assumption of business environment has drastically changed from the previous long-term business plan “Progress2030”, we have formulated new long-term business “Atelier2050” to resolve social issues and continue to develop.

Social Issues (External Environment)

- The global environment
- Climate changes
- Health issues
- Food issues
- Regional development
- Aging population
- Labor shortage

Business Issues (Internal Environment)

- Pursuing the social value
- Expanding business areas
- Strengthening the ability to develop new products
- Promoting diversity
- Cultivating human resources
- Corporate governance
- Risk management
- Compliance

Corporate Philosophy
(Raison d’etre/
Corporate Purpose)

Contribute to the protection of the global environment and the existence/development of humanity, offering the value sought by society.

Ideal State in 2050

Corporate State

Organizational State

Corporate State

A “Future-Creating Company” that grows through seeking to enrich people and nature

Organizational State

A group of co-creators that face challenges for change with a strong passion

Business Areas

- Growth is achieved with Information & Communication, Life Science, and Environment & Energy as growing business areas, and Materials & Services as a core business area.
- Life Science business is expanding with the microbial control technology as the core, and Information & Communication business is growing with sensing materials and other products. Environment & Energy business is full-fledged and contributes greatly to the global environment.

Social Involvement

- Expanding businesses and products that contribute to solving social issues
- Advancing the Group’s business management that prioritizes less effect on the global environment
- Becoming a corporate group that is trusted and valued by the local community and whole society

Employees State

Basic Stance

- **Valuing the integrity as the strength**

We trust and respect people. We achieve things with responsibility. We make efforts for someone else and work together as well. Integrity is the advantage and identity of the Group.
- **Taking a step forward with the vision**

We explore individual ideals. To realize that, we transcend the traditional framework, go through repeated trial and error and face challenges for change.
- **Transcending collaboration to co-creation**

We evolve collaboration into co-creation, having the courage to go through clashes of diverse ideas and enthusiasm.

1

Deeply exploit and expand business areas

Expand into new areas related to growing businesses

■ Information & Communication

- Develop materials for the next-generation display and join that market, and provide materials that are compatible with the evolving semiconductor technologies
- Enter into new businesses, such as the sensing area and photo-functional material market

■ Life Science

- Expand into microbial agrochemicals, and advance into healthcare and environment-related areas with microbial control technology

■ Environment & Energy

- Develop materials related to batteries/cells that contribute to solving environmental issues, renewable energy materials, and CCUS materials

2

Pursue sustainable management further

Develop business activities that contribute to solving environmental and social issues

■ Attain the “Nissan Chemical Sustainable Agenda” and expand product/service lines specified in the Agenda

■ Achieve carbon neutrality (Scope 1+2)

■ Cultivate a corporate culture where the future is co-created

3

Renovate management and business foundations

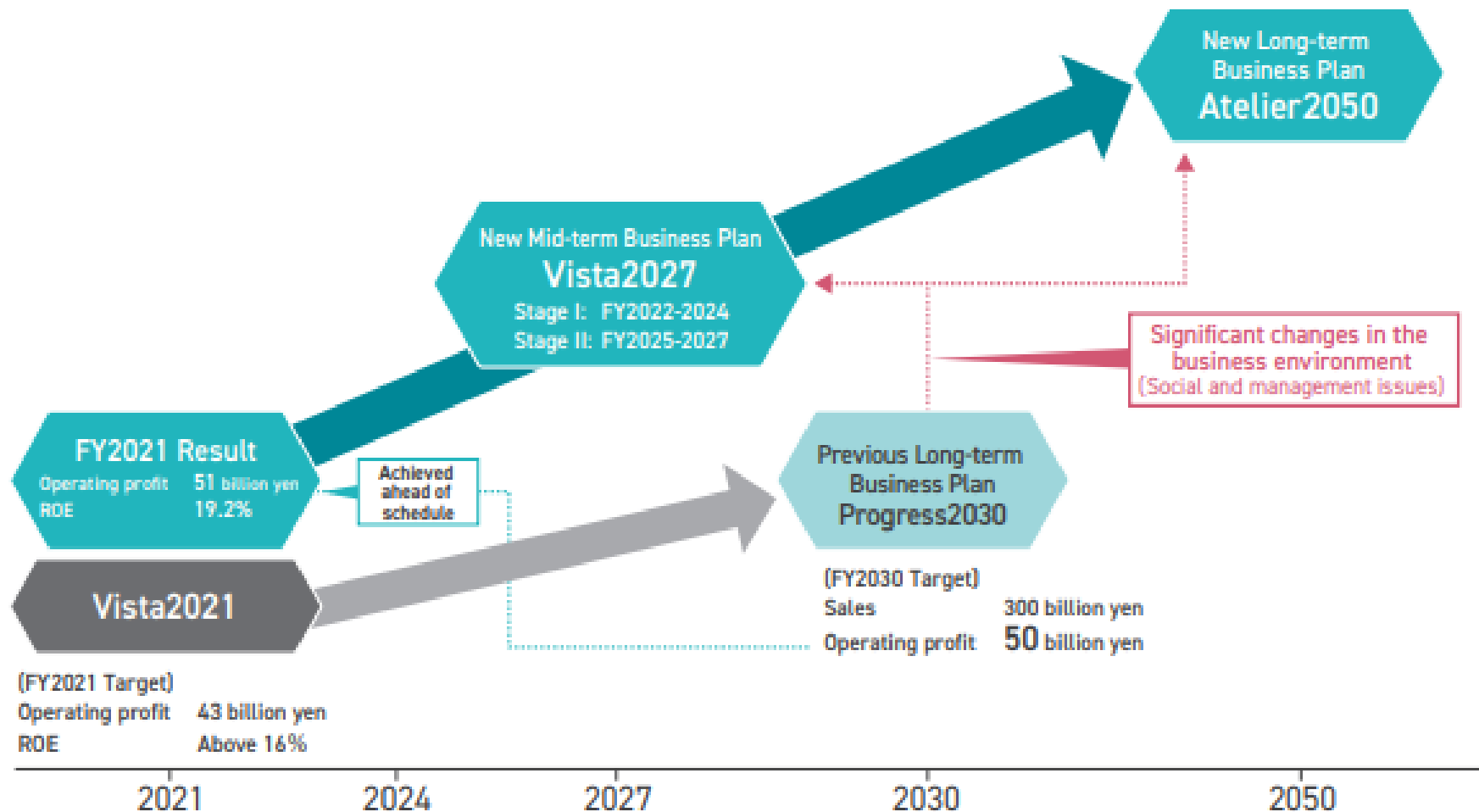
Accelerate the value-creation process by utilizing digital technology

■ Fuse virtual and physical space and strengthen AI analysis

■ Utilize digitalization, automatization, and robotization to focus on creative work

Atelier2050 and Mid-term Business Plan“Vista2027”

As the business environment drastically changed from the time Progress 2030 was formulated, we formulated “Vista 2027” as a backcast, discussing social issues and changes anticipating 2050.



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Ideal State of the Company in 2027

“While existing businesses are robustly driving the business performance, new core technologies are consistently acquired for expanding and enhancing business areas”

“Organized sustainability-related initiatives are promoted and related information is offered internally and externally”

“As the digital foundation is being established, business activities are conducted based on the latest information on clients and markets”

Vista2027 Basic Strategies

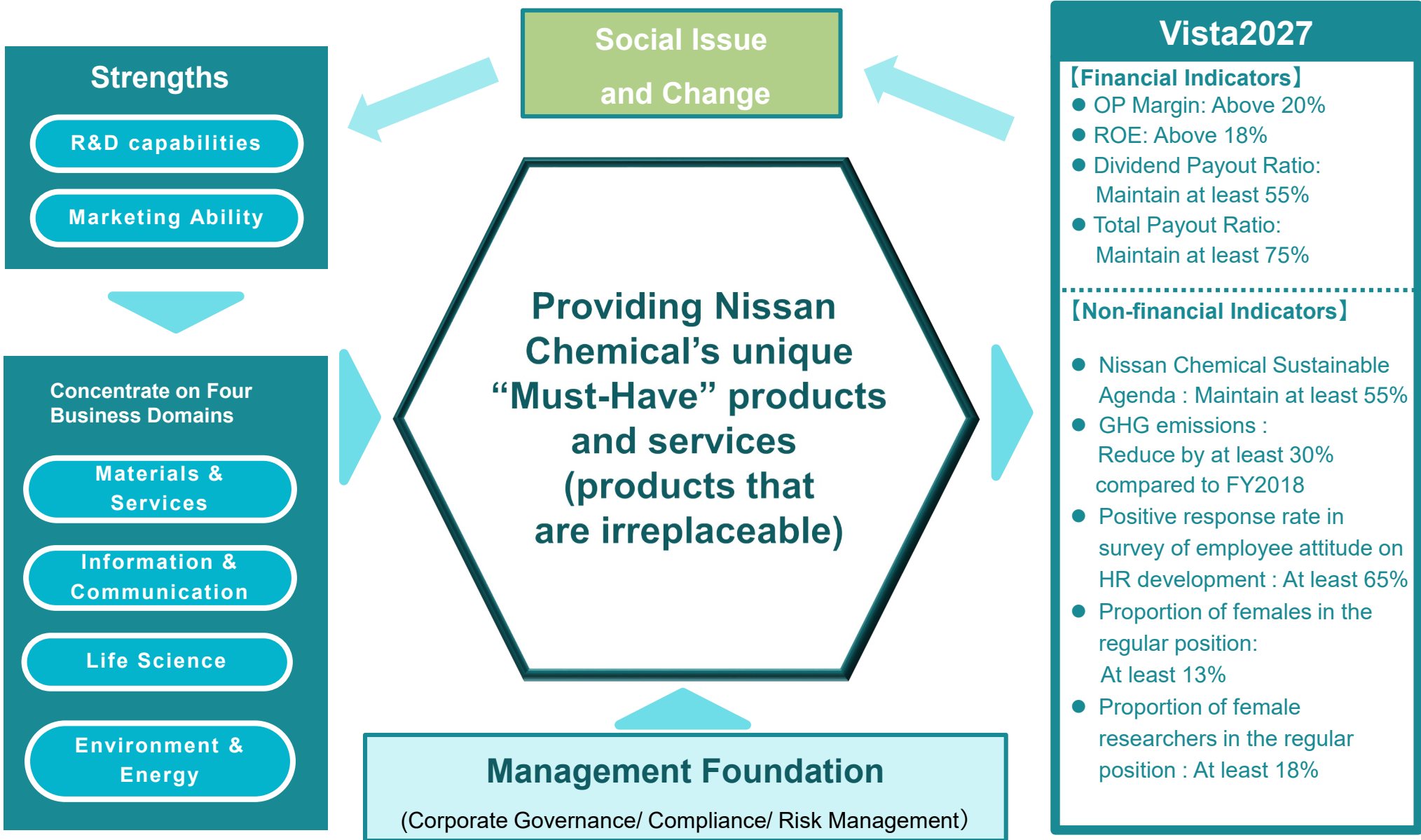
① Deeply exploit business areas and increase marketing ability

② Promote sustainable management

③ Strengthen the creation and co-creation process of values

④ Expand market shares and profits of existing businesses
(Expansion of existing products as the source of growth and solid development of new products)

Our Value Creation Model



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Vista2027 Materiality

▶▶▶1

Provision of New Value for Helping to Enrich People's Lives

▶ Nissan Chemical Sustainable Agenda¹

Rate of total sales of products and services that contribute to solving social issues in consolidated net sales **Maintain at least 55%**

- Supply environmental-friendly products and services
- Contribute to smart society
- Contribute to food issues
- Contribute to health issues
- Contribute to improve quality of life

▶▶▶2

Strengthening of Nissan Chemical's Business Base

▶ Personnel retention and trainings

Positive response rate in survey of employee attitude **At least 65%**

▶ Promote Diversity

Proportion of female researchers **At least 18%**

- Revise personnel system
- Labor safety, enhance health
- Enhance securing and developing
- Introduce Talent Management System

▶▶▶3

Continuous Improvement of Responsible Care Activities

▶ GHG Emission Target

Reduced by **at least 30%** compared to FY2018

- Zero N₂O emissions from nitric acid plants
- Converting fuels at Onoda Plant
- Melamine production shutdown
- Full-scale introduction of ICP
- Upgrade to energy-efficient equipment
- Reduce CFC equipment
- Introduce renewable energy
- Introduce carbon off-set
- Interact to settle target of SCOPE3

Our most important issue

Strengthening of Corporate Governance, Risk Management and Compliance

1. Provision of New Value for Helping to Enrich People's Lives

▶▶▶1

Provision of New Value for Helping to Enrich People's Lives

▶ **Nissan Chemical Sustainable Agenda¹**

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Strengthening of Nissan Chemical's Business Base

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Continuous Improvement of Responsible Care Activities

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Our most important issue



Strengthening of Corporate Governance, Risk Management and Compliance

A plan to pursue “what we can do for the future of the globe and human” by providing products and services that contribute to solving social issues.

Field of Contribution



Actualizing a sustainable future for our planet

 <p>Reduce CO₂</p>	 <p>Reduce waste</p>	 <p>Conserve aquatic environments</p>
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Actualizing sustainable comfort for all

 <p>Solve health issues for humankind and animals</p>	 <p>Achieve a smart society</p>	 <p>Solve food shortages</p>
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Key Performance Indicator

Rate of total sales products and services that contribute to solving social issues in consolidated net sales

Maintain at least 55%

Nissan Chemical Sustainable Agenda



Actualizing a sustainable future for our planet



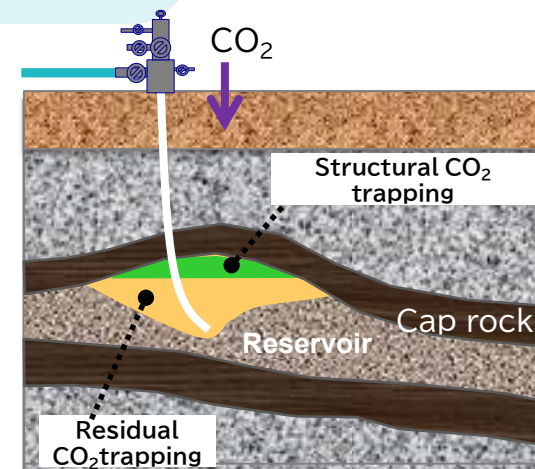
Reduce CO₂



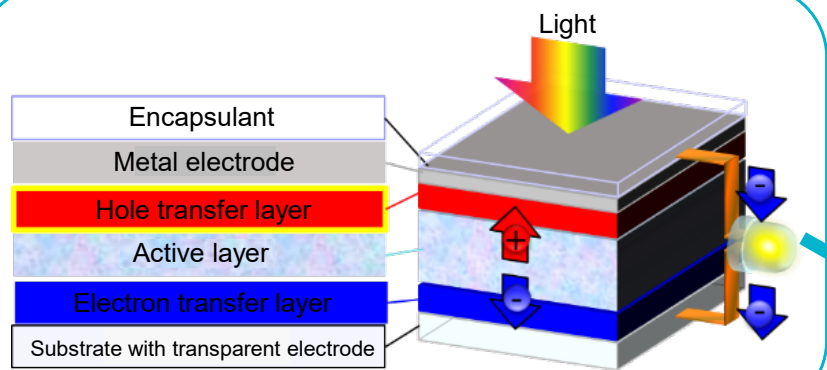
Reduce waste



Conserve aquatic environments

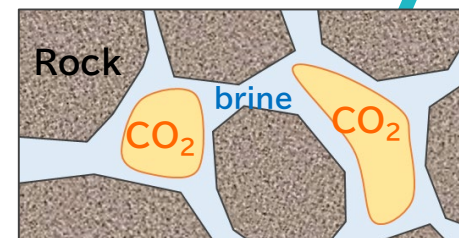


<HTL> Improve performance of next generation solar battery

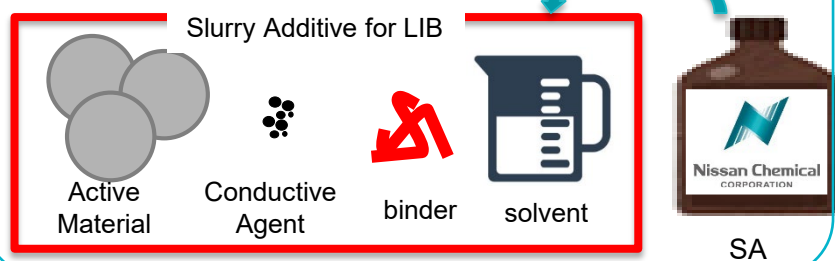


<Nano silica fluid for CCS>

Seize the movement of CO₂ by making surface of rock hydrophilic. Reduce CO₂ by containing



<SA> Improve performance of LIB



Nissan Chemical Sustainable Agenda



Actualizing a sustainable future for our planet



Reduce CO₂



Reduce waste



Conserve aquatic environments

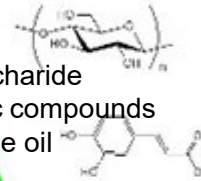
Decomposed under natural environment



Biomass plastic made from plant biomass

crop, extract

polysaccharide
aromatic compounds
vegetable oil



Microbial and chemical transformation

biomass and biodegradation plastic



Mold

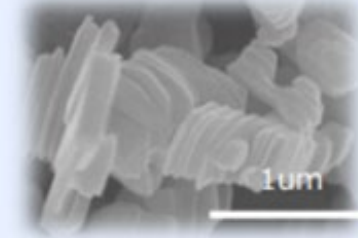
Environment friendly biomass plastic

Collect environmental biodegradation energy

Dispose



SEM image



Crystal nucleating agent

ECOPROMOTE®

<ECOPROMOTE®>

Promote crystallization of polylactic acid and save time to mold bio plastics

Nissan Chemical Sustainable Agenda



Actualizing a sustainable future for our planet



Reduce CO₂



Reduce waste



Conserve aquatic environments



<HI-LITE®>
Supply hygienic water by sterilization and disinfection



<Venus®Oilclean>
Microorganism decompose fat of waste water. Reduce waste as well as BOD and COD

Nissan Chemical Sustainable Agenda



Actualizing sustainable comfort for all



Solve health issues for humankind and animals



Achieve a smart society



Solve food shortages



<Fluralaner>
API of companion animals health care drug BRAVECTO®

* BRAVECTO® is a registered trademark of Intervet International B.V. and Intervet Inc.



<FCeM®>

Enable non cryopreservation of spheroid culture and contribute to regenerative medicine



<Custom Chemicals®>
Resolve health problems by contracted manufacturing and service for pharmaceuticals



<Prevelex®>

Form spheroid culture efficiently and contribute to regenerative medicine



Actualizing sustainable comfort for all



Solve health issues for humankind and animals



Achieve a smart society



Solve food shortages



<ARC®>

Enable miniaturization of lithography and contribute to increase speed and capacity



<LCD alignment coating>
Essential for making LCD panels.
Contribute to develop FPD



Actualizing sustainable comfort for all



Solve health issues for humankind and animals



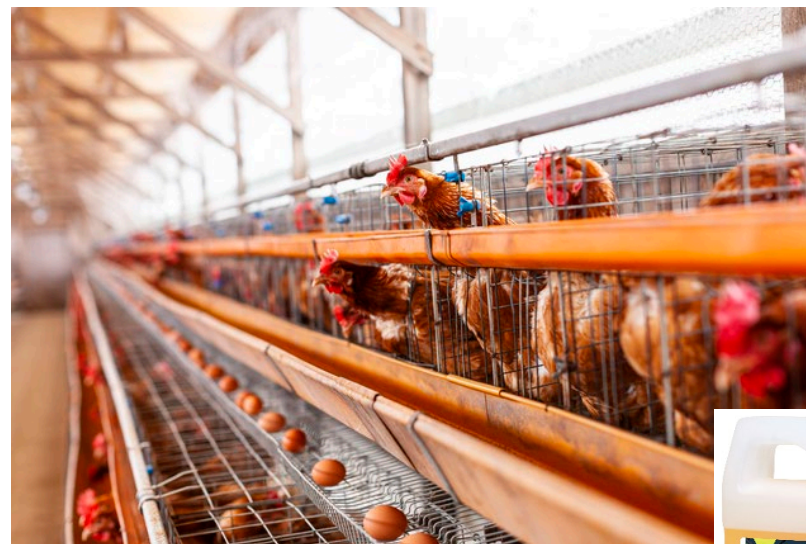
Achieve a smart society



Solve food shortages








<Agrochemicals>
Supply agrochemicals to increase crop yields and conserve agricultural labor



<Veterinary pharmaceuticals for livestock>
API of EXZOLT® (veterinary pharmaceuticals for livestock). Contribute to keep livestock healthy

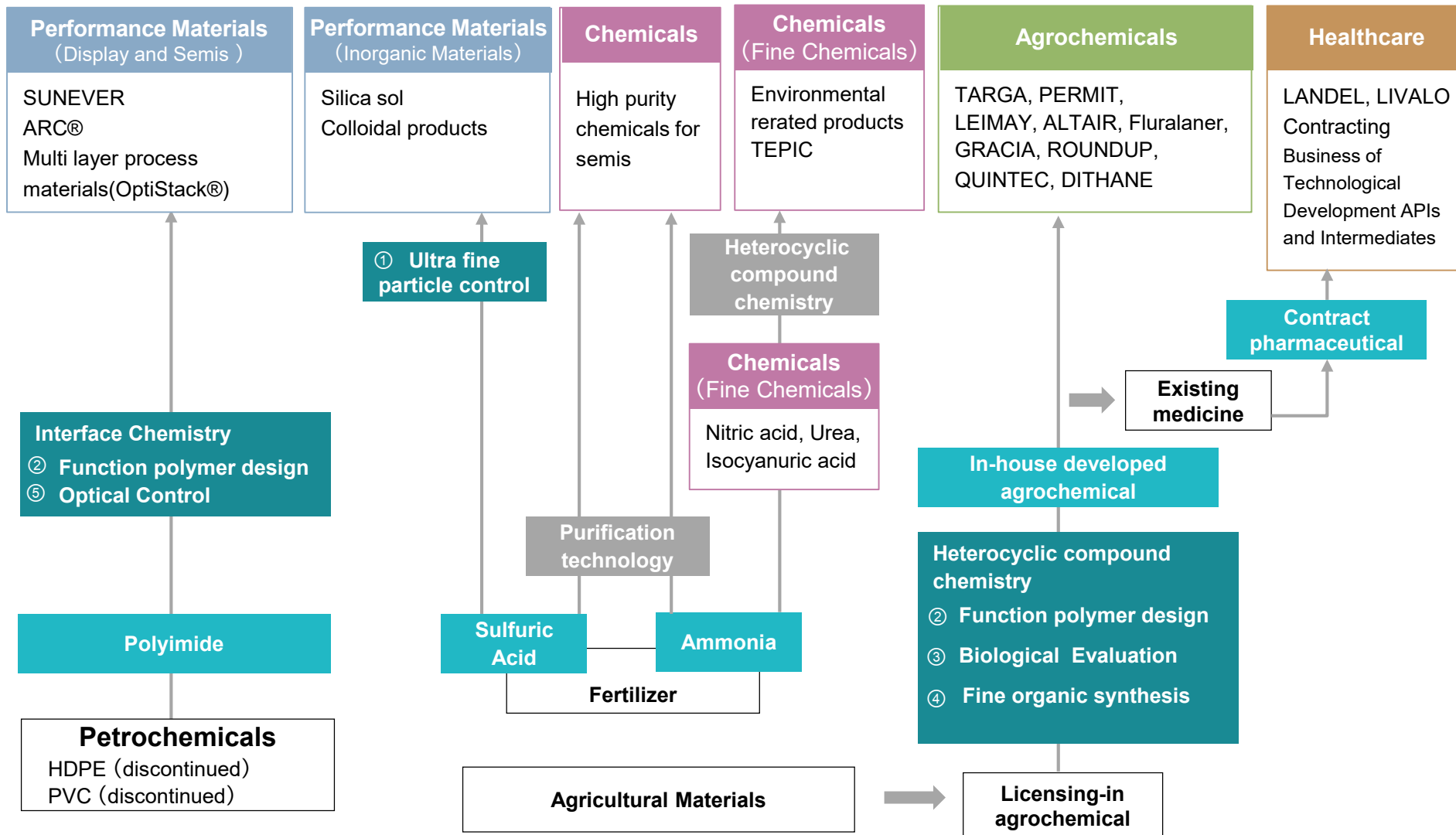
* EXZOLT® is a registered trademark of Intervet International B.V. and Intervet Inc.

Provision of New Value for Helping to Enrich People's Lives

Materiality Factor	Measures	Target for FY2027 (Compared to FY2021)
<p>Supply of environmental-friendly products and services</p> 	<ul style="list-style-type: none"> ■ Develop materials that contribute to the expansion of renewable energy ■ Develop materials that contribute to the achievement of a circular economy ■ Reduce the application amount of agrochemicals ■ Supply exhaust gas removal materials ■ Supply disinfectants and for water treatment for septic tanks ■ Supply materials that enable reduction of oil and fat waste 	<p>Sales +10%</p>
<p>Contribution to smart society</p> 	<ul style="list-style-type: none"> ■ Supply materials that contribute to higher capacity/speed of data communication and sensing 	<p>Sales +55%</p>
<p>Contribution to food issues</p> 	<ul style="list-style-type: none"> ■ Supply agrochemicals to increase crop yields and conserve agricultural labor in food production ■ Contribution to the maintenance of health of livestock 	<p>Sales +15%</p>
<p>Contribution to improvement of the quality of life</p> 	<ul style="list-style-type: none"> ■ Supply disinfectants for drinking water ■ Contribute to maintaining the health of companion animals 	<p>Sales +15%</p>
<p>Contribution to health issues</p> 	<ul style="list-style-type: none"> ■ Supply generic drugs ■ Develop drugs for intractable diseases ■ Offer contracted manufacturing and service for pharmaceuticals ■ Develop materials for regenerative medicine market 	<p>Sales +5%</p>
<p>Rate of total sales of products and services that contribute to solving social issues in consolidated net sales</p> <p style="text-align: center;">Nissan Chemical Sustainable Agenda</p>		<p>Maintain at least 55%</p>

Research & Development -5 core technology-

Five Key Technologies ①~⑤



Research & Development

-New technology to be a core technology by 2050-

Solving Social Issues

- Protect the global environment
- Solve food issues

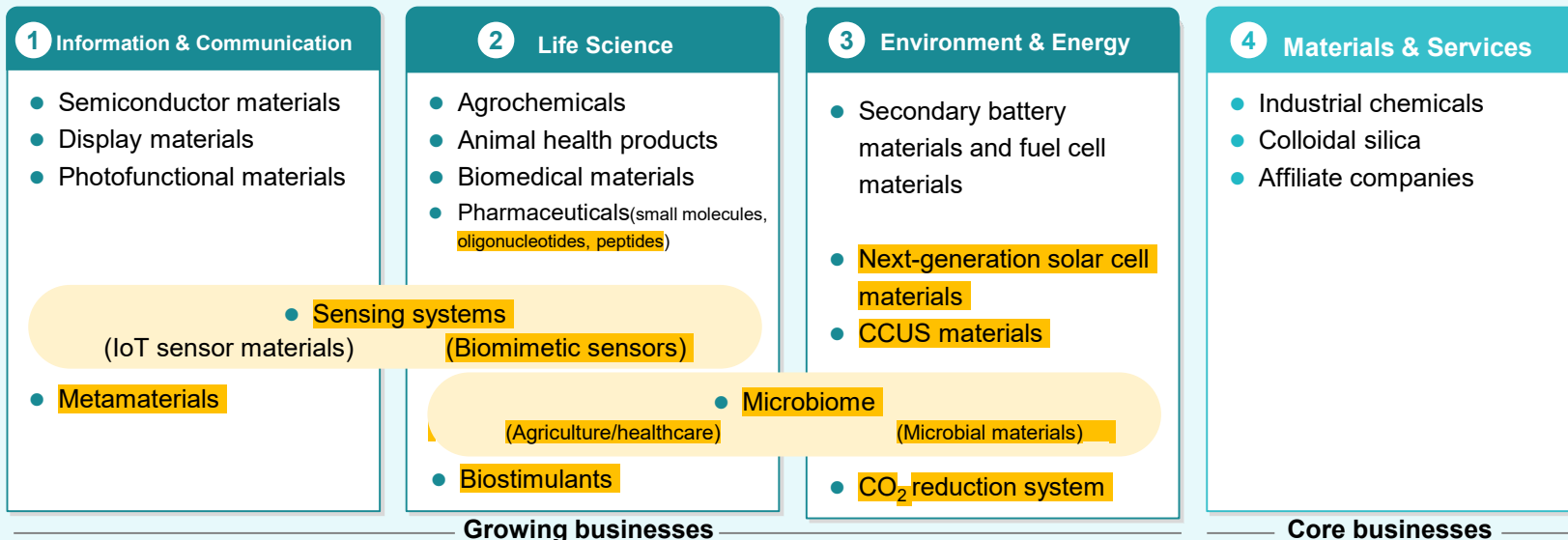
- Mitigate climate changes
- Achieve a smart society

- Address health issues
- Improve quality of life

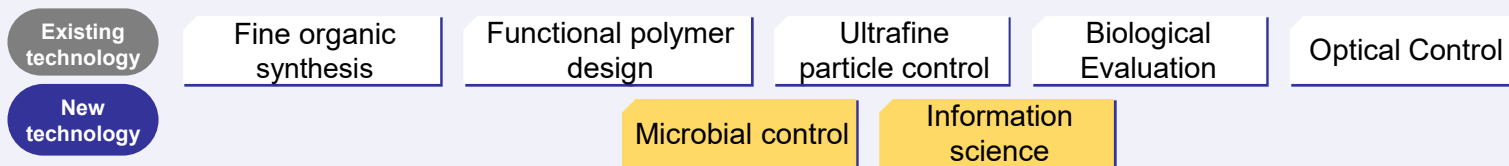


Business

Expansion into new areas



Core Technology



Microbial control

Expand to new field by introducing microbial control and integrate with existing core technologies

Information science

Lead new value creation by introducing simulation and data science technology

Intellectual Property Department : Optimize IP strategy by activities among IP Department-Laboratories -Divisions

平成28年度 知的財産権制度活用優良企業等表彰

知財功労賞 経済産業大臣表彰

特許活用優良企業


日産化学工業株式会社

会社概要

所在地 東京都千代田区神田錦町3-7-1
 設立 1921年4月20日(創業1887年)
 資本金 18,942百万円
 従業員 2,325人(連結)
 事業内容 化学品事業(基礎化学品、ファインケミカル) 無機コイロド、農業化学品事業(農薬、動物治療薬原薬、プロセス開発・受託製造)、その他

受賞のポイント

- 国内初の化学肥料メーカーとして創業、その後事業を拡大し、さまざまな期間を数多く事業化し、中でもディスプレイ用電子材料でIP(工バー)が1980年代前半から採用され、世界トップクラスのシ
- 研究成果と知的財産が事業の根幹であるとの考えのもと、知財(知)による権利行使にも相応の権限があると判断し、1990年代以降、の競合相手の特許権侵害訴訟を提起。知財部門は経営層に「戦」にも事業分野において国内外で複数の訴訟を提起し、それを突破
- 自社開発の知財管理システム「PATNETS」にあらゆる知財情報(知)の各部門が共同で、出願時から各フェーズで事業可能性や期待などを評価・蓄積し、権利維持の要否に反映。加えて、知財(知)の権利のほか、ノウハウ、調査・監視、契約、活動記録、知財(知)共有し、関係部署と密に連携できる体制を構築。



ディスプレイに採用されている液晶材料(シリコン)のIP(工バー)

日産化学 株式会社

他社との知財訴訟を積極的に実施し、自社ビジネス領域への参入障壁を強化

日産化学株式会社は1887年に化学肥料メーカーとして創業。その後様々な事業転換を図り、現在は化学品、機能性材料、農業化学品、医薬品事業を基盤に展開。コア技術に磨きをかけ、既存事業の強化、新規事業の創出に取り組む中、事業の根幹をなす知財を守り、競争力を確保していくため他社との知財訴訟も積極的に実施し、自社ビジネス領域への参入障壁を強化。

戦う知財部門の契機となる訴訟

同社は、研究成果と知財が事業の根幹であるとの考えの下、1990年代以降に世界各国において競合企業を相手に特許権侵害訴訟を提起してきた。経営層からは「戦う特許部(当時)」と称され、権利行使による特許の活用を実践している。

海外での訴訟に重点を置く契機となった事件を遡ると、最初は1980年代の米国での4件のインターフェアランス事件¹⁾が挙げられる。具体的には、農業のタルガ、シリウス、医薬のランデル、リパロに関する事件である。1990年代前半には、同社にとって米国で初の訴訟を2件提起した。これらの訴訟は、除草剤タルガに関する特許権の侵害訴訟であり、結果としては和解に至ったが、実質的に勝訴といえるものであった。これらのインターフェアランスの経験と米国での実質勝訴の訴訟経験は、同社が、権利行使が経営にインパクトを与えると考えるに至る大きな背景となっている(図1)。

¹⁾ 米国は2013年まで先発明主義を採用していたため、複数の特許出願が同一発明に対してされたとき、先の発明を決めるインターフェアランス手続を設けている。



経営戦略を成功に導く知財戦略

【実践事例集】

特許庁

日産化学株式会社と意見交換を行いました

2021年1月19日

12月22日、日産化学株式会社の水卜社長らと知財戦略等について、意見交換を行いました。

研究開発を「成長力の源泉」と位置づけ、「情報に真実を導く」というスローガンのもと、知財情報分析(IPランドスケープ)を活用して、知財(知)部門から研究・企業・事業部門に対して積極的に提供とサポートを行っている旨を御説明いただきました。

また、知財の基礎強化の一環として、同社開発の知財管理システム「PATNETS」(2016年度知財功労賞賞状(PDF:339KB))をクラウド型システムへと移行し、知財(知)部門が特許事務所とシームレスに連携する取組について御確認ください。

新しい時期でも研究開発に経営資源を投入し、また、研究開発テーマを精査することにより、安定的かつ高い営業利益率・自己資本利益率としてこれら同社の取組は、コロナ禍の下での対応について大変示唆に富むものでもした。

「マルチ・マルチクレーム」や特許権期限延長制度の在り方について議論しました。引き続き具体的なニーズの把握に努め、よりよい取組を行います。



日産化学株式会社との意見交換
水卜社長・権利部長

【更新日 2021年1月19日】

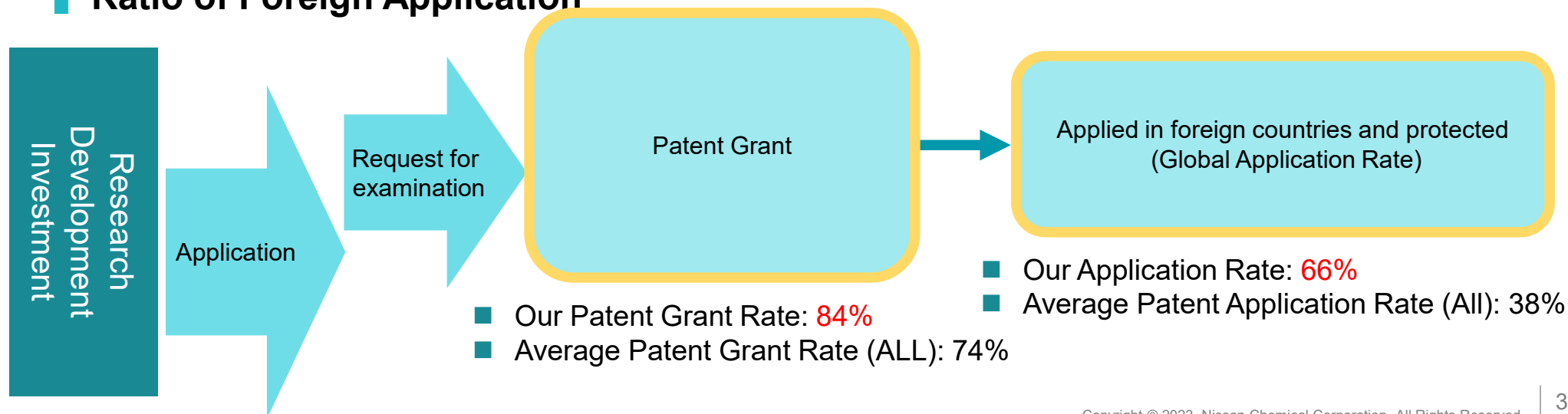
特許庁 住所: 〒100-8915 東京都千代田区麹町3丁目4番3号 電話番号: 03-3581-1101(代表)
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Number of published patent and R&D expenses

	Number of published patent / R&D expenses *100
Nissan Chemical (FY2021 R&D expenses ¥16.0 billion)	99
Company A	62
Company B	54
Company C	91
Company D	72

Notes) Number of published patent excludes divisional and republished patent

Ratio of Foreign Application



- Hold about 5,500 patents in global
- Ratio of sales and R&D expenses is high compared to other companies in the chemical sector
- **Number of patent held in global**

	Number of living patent	Ratio of Sales	Rank in Chemical Sector	Ratio of R&D expenses	Rank in Chemical Sector
	Global	*	Rank	*	Rank
Nissan Chemical	5,619	229.1	3	122.0	7
Nissan Chemical (excluding Agrochemicals and Healthcare)	5,175	323.6	1	207.0	2
Average of 30 companies in the chemical sector		100		100	

Notes) Number of living patent is as of January, 2023

- Ratio of Sales: Number of living patents divided by Sales
 - Ratio of R&D expenses : Number of living patents divided by R&D expenses
- Set average of 30 companies in the chemical sector to be 100 and index

2. Strengthening of Nissan Chemical's Business Base

▶▶▶1

Provision of New Value for
Helping to Enrich People's Lives

▶ Nissan Chemical
Sustainable Agenda¹

Rate of total sales of products and
services that contribute to solving
social issues in consolidated net
sales **Maintain at least 55%**

- Supply environmental-friendly products and services
- Contribute to smart society
- Contribute to food issues
- Contribute to health issues
- Contribute to improve quality of life

▶▶▶2

Strengthening of Nissan
Chemical's Business Base

▶ **Personnel retention and
trainings**

Positive response rate in
survey of employee attitude
At least 65%

▶ **Promote Diversity**

Proportion of female
researchers **At least 18%**

- Revise personnel system
- Labor safety, enhance health
- Enhance securing and developing
- Introduce Talent Management System

▶▶▶3

Continuous Improvement of
Responsible Care Activities

▶ **GHG Emission Target**

Reduced by **at least 30%**
compared to FY2018

- Zero N₂O emissions from nitric acid plants
- Converting fuels at Onoda Plant
- Melamine production shutdown
- Full-scale introduction of ICP
- Upgrade to energy-efficient equipment
- Reduce CFC equipment
- Introduce renewable energy
- Introduce carbon off-set
- Interact to settle target of SCOPE3

Our most important issue

Strengthening of Corporate Governance, Risk Management and Compliance

Human Resource Strategies

-Maximize Human Resources-

Securing Human Resources

Measures to secure Human Resources

- Specified Employment
- Lab and Factory Virtual Tour
- Enhance Recruit Activities and Website
- Co-creation Internship
- Invent Reward (Incentive for R&D)
- Revision of Personnel System

Developing Human Resources

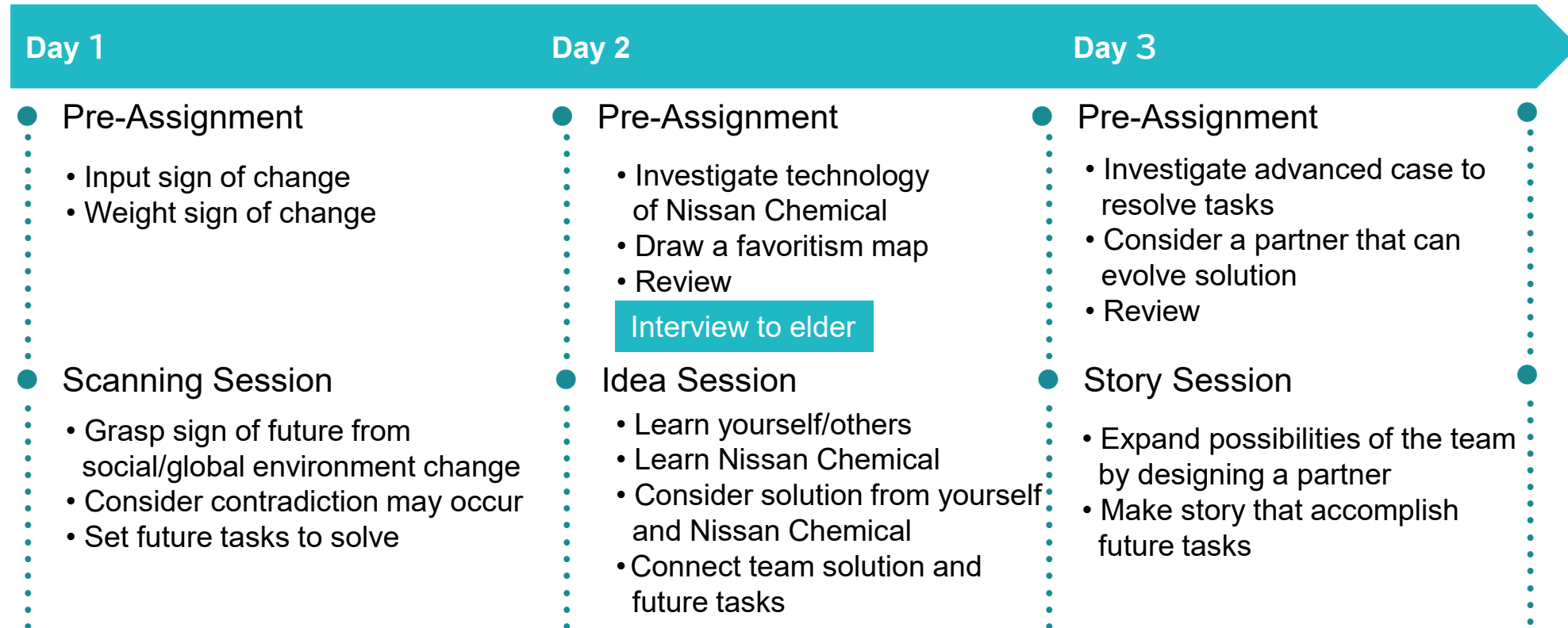
Development Training (excerpt from R&D, planning and project)

Idea	Start Project (Plan)	Inspect	Start Business (Action)	Expand
<div style="border: 2px dashed orange; border-radius: 10px; padding: 5px; display: inline-block;">Internship</div>				
	<div style="border: 2px solid yellow; border-radius: 10px; padding: 5px; display: inline-block;">Training before promotion to subsection manager)</div>			
		<div style="border: 2px solid yellow; border-radius: 10px; padding: 5px; display: inline-block;">Training before promotion to manager</div>		
			<div style="border: 2px solid yellow; border-radius: 10px; padding: 5px; display: inline-block;">Intrapreneurship Program</div>	

Co-creation Internship

Purpose

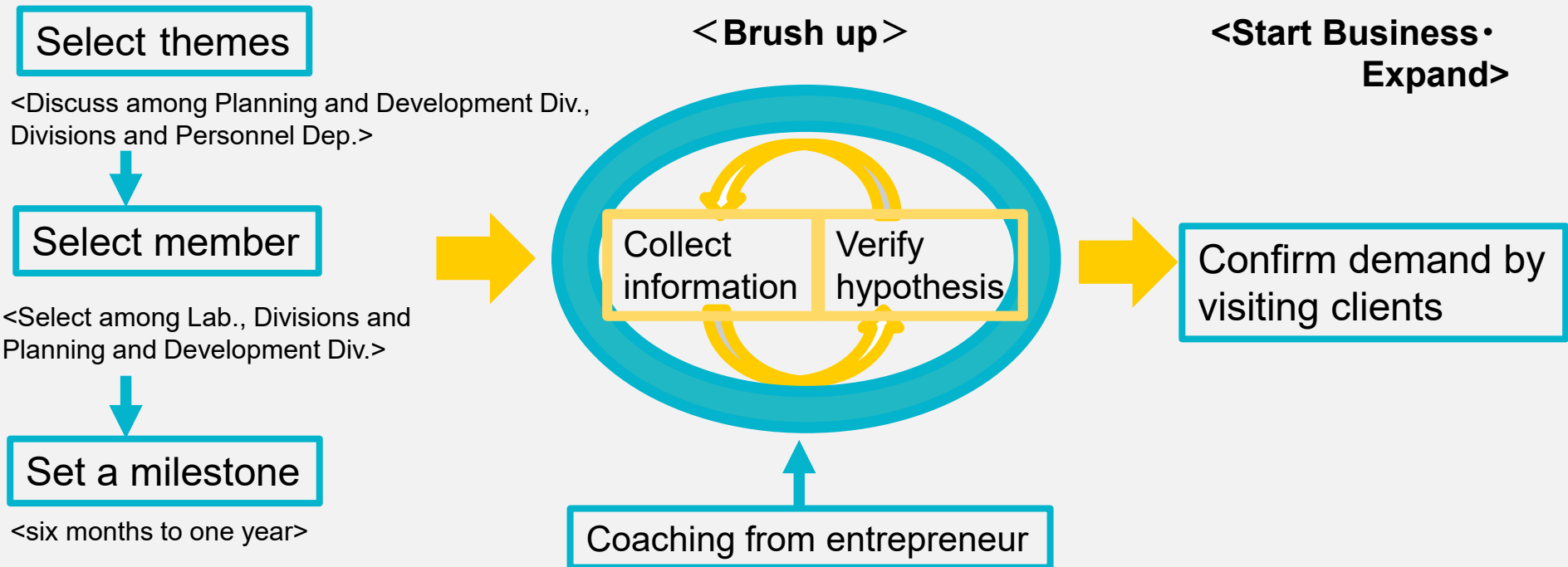
- Recruit HR who have feature-creating aptitude from new graduates
- Identify HR who have the spirit of “Challenge (difficult to develop)” through internship



Intrapreneurship Program

Purpose

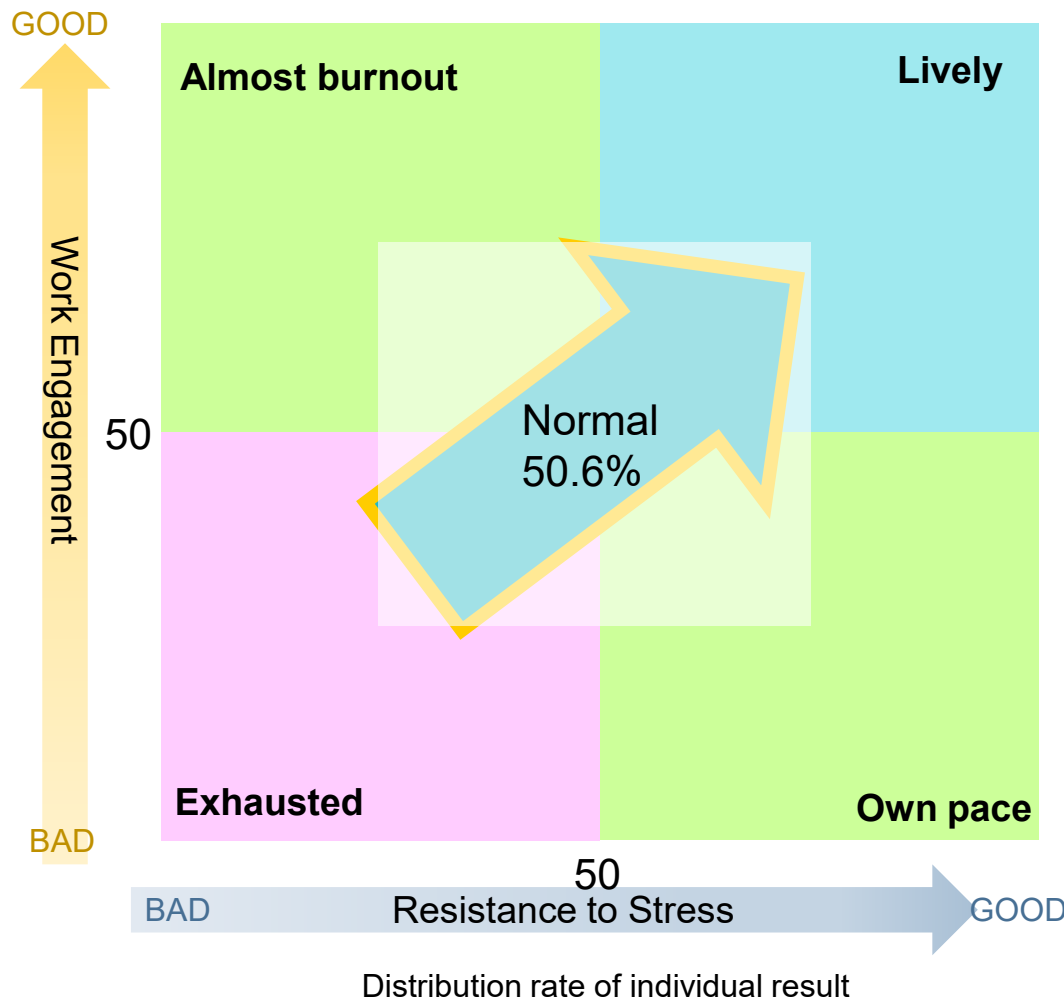
- Develop in-house entrepreneur (especially action skill)
- Formulate hypothesis of client tasks thoroughly with team and acquire a process to inspect through client interview



Held on 2019 and 2021. Three members in each team, total six themes. One theme is under discussion to become a business.

Improve Employee Engagement

Grasp employees' stress reactions and work engagements to create a lively workplace.
 Improve by making improvement sheets and implement measures to each tasks.



Among companies introducing same survey

- 1) Our position of high resistance to stress employees
 Rate of GOOD response: 10% of higher rank
- 2) Our position of high engagement employees
 Rate of GOOD response: 10% of higher rank

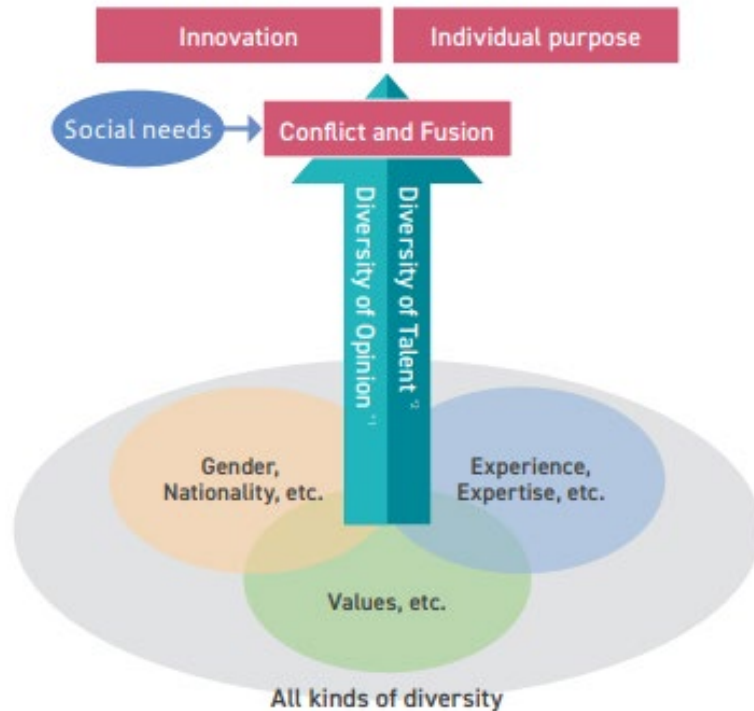
【Question of survey】

- Reaction to stress
- Reason of stress
- Support from others
- Mental toughness
- Environment and situation of company and work
- Environment of workplace
- Satisfaction
- Engagement
- Harassment

Materiality KPI (Vista2027)

■ Positive response rate in survey of employee attitude: At least 65% ■

Promotion of Diversity



Nissan Chemical Action Plan

(April 1, 2021 to March 31, 2026)

- 1) Proportion of females in the regular position:
At least 13%
 - Proportion of females among new graduates in the regular position to 30% or more
- 2) Double the number of female managers (above section chief level)
 - Revise personnel system
- 3) Encourage male employees to take childcare leave at birth of child and for their superiors to recommend them to take childcare leave
 - Under consideration
- 4) Maintain the ratio of taking annual leave of 70% or more
 - Take annual leave of 10 days as a target set through labor-management consultation

Materiality KPI (Vista2027)

- Proportion of females in the regular position: At least 13%
- Proportion of female researchers in the regular position: At least 18%

3. Continuous Improvement of Responsible Care Activities

▶▶▶1

Provision of New Value for Helping to Enrich People's Lives

▶ Nissan Chemical Sustainable Agenda¹

Rate of total sales of products and services that contribute to solving social issues in consolidated net sales **Maintain at least 55%**

- Supply environmental-friendly products and services
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▶▶▶2

Strengthening of Nissan Chemical's Business Base

▶ Personnel retention and trainings

Positive response rate in survey of employee attitude **At least 65%**

▶ Promote Diversity

Proportion of female researchers **At least 18%**

- Revise personnel system
- Labor safety, enhance health
- Enhance securing and developing
- Introduce Talent Management System

▶▶▶3

Continuous Improvement of Responsible Care Activities

▶ **GHG Emission Target**

Reduced by **at least 30%** compared to FY2018

- Zero N₂O emissions from nitric acid plants
- Converting fuels at Onoda Plant
- Melamine production shutdown
- Full-scale introduction of ICP
- Upgrade to energy-efficient equipment
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- Introduce renewable energy
- Introduce carbon off-set
- Interact to settle target of SCOPE3

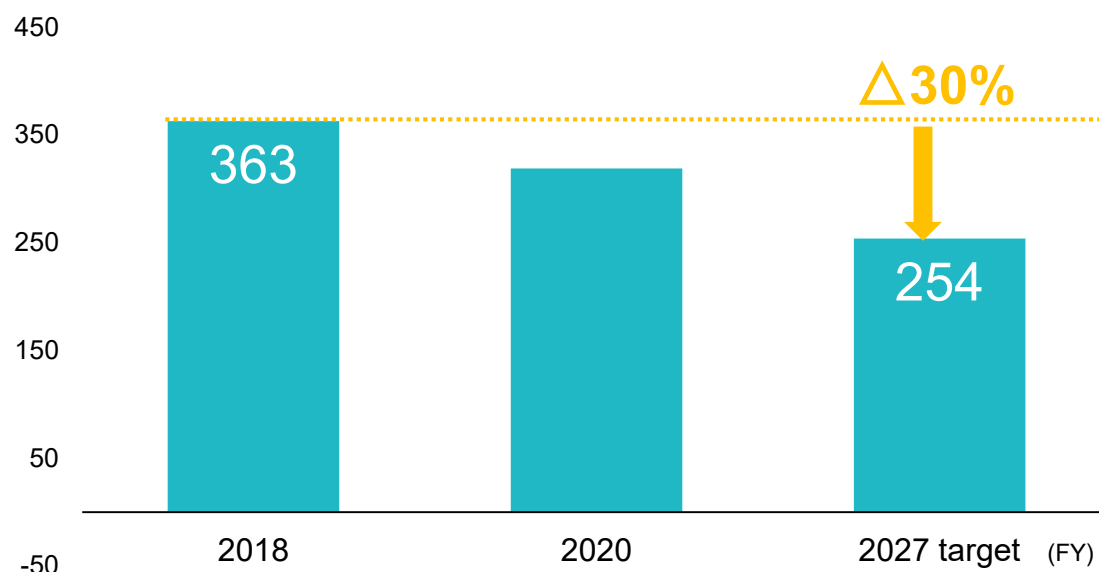
Our most important issue

Strengthening of Corporate Governance, Risk Management and Compliance

Reduction of GHG emissions

Target of materiality: GHG emissions (SCOPE 1+2) reduce 30% compared to FY2018

(Thousands of tons-CO₂)



Initiatives in Vista 2017

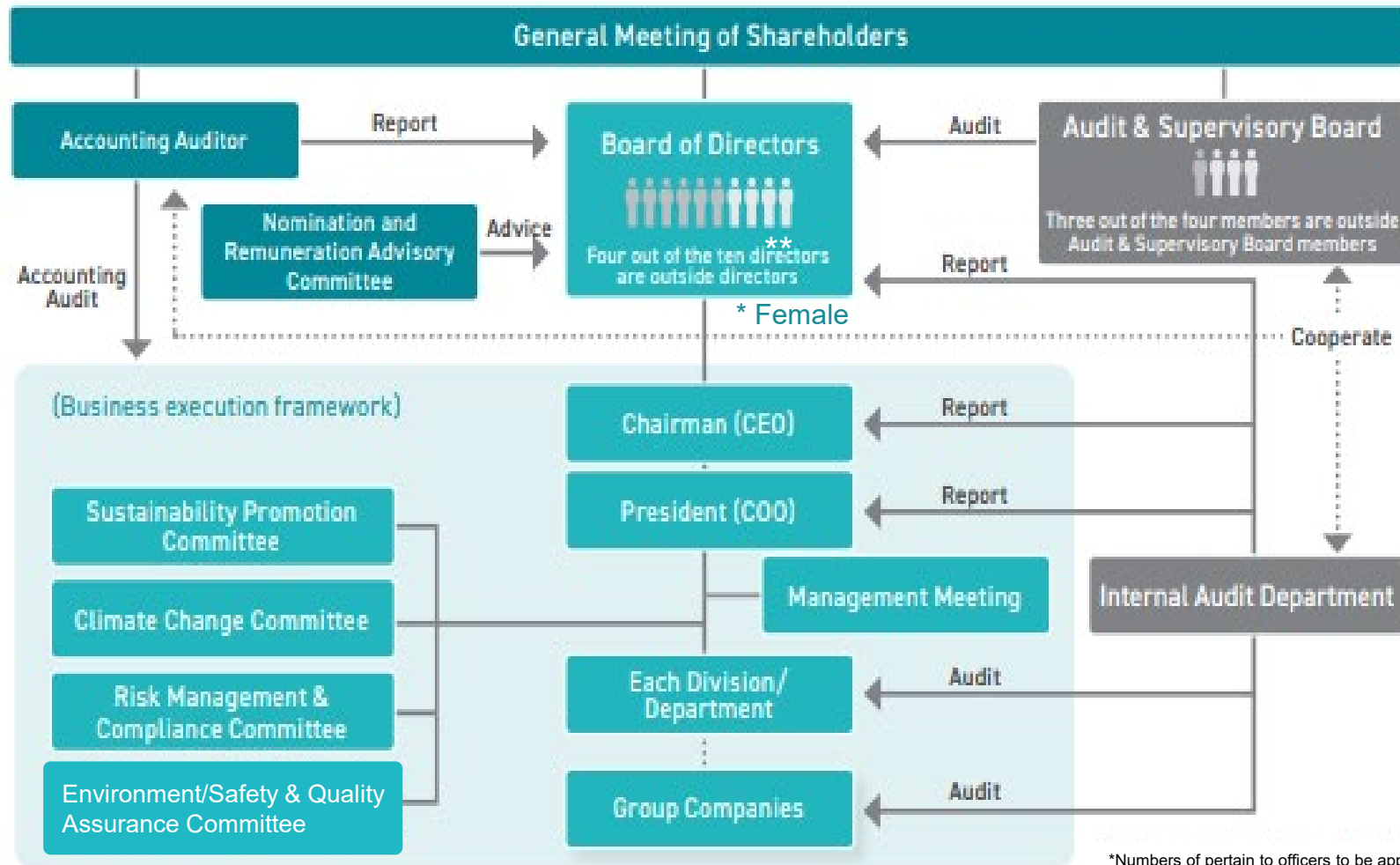
- Zero N₂O emissions from nitric acid plants
- Melamine production shutdown
- Converting fuels at Onoda Plant
- Promoting reduction of GHG emissions through full-scale introduction of ICP
- Reduction of CFC equipment
- Upgrade to energy-efficient equipment
- Introduce carbon off-set

Comparison with Nationally Determined Contribution (NDC) and our reduction rate of GHG emissions

FY	2013	2018	2019	2020	2021	2027	2030
Nissan Chemical reduction rate (unconsolidated)	-	20.7%	28.7%	30.5%	24.6%	44.5%	Under discussion
Target reduction rate of NDC	-	13.5%	16.2%	18.9%	21.6%	37.9%	46%

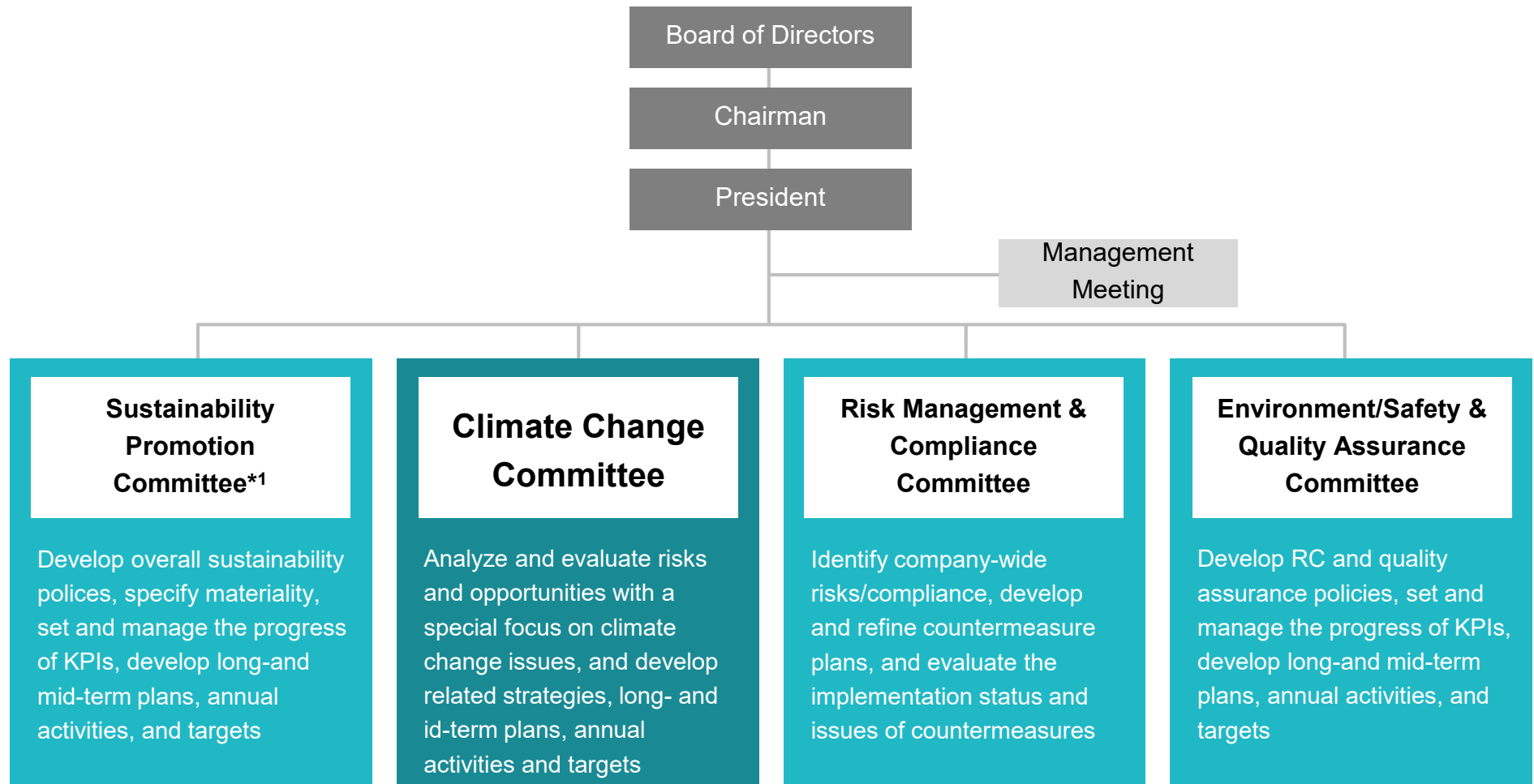
*Reduction rate setting 2013 to be a criterion

Corporate Governance Organization



*Numbers of pertain to officers to be appointed at the 153rd General Meeting of Shareholders in June 28, 2023.

Organization



*1 Renamed from CSR Committee on April 1, 2022

Composition of Officers' Remuneration



Profit-linked portion 90%

【Evaluation Indicators】

- Net income attributable to owners of parent
- EBITDA

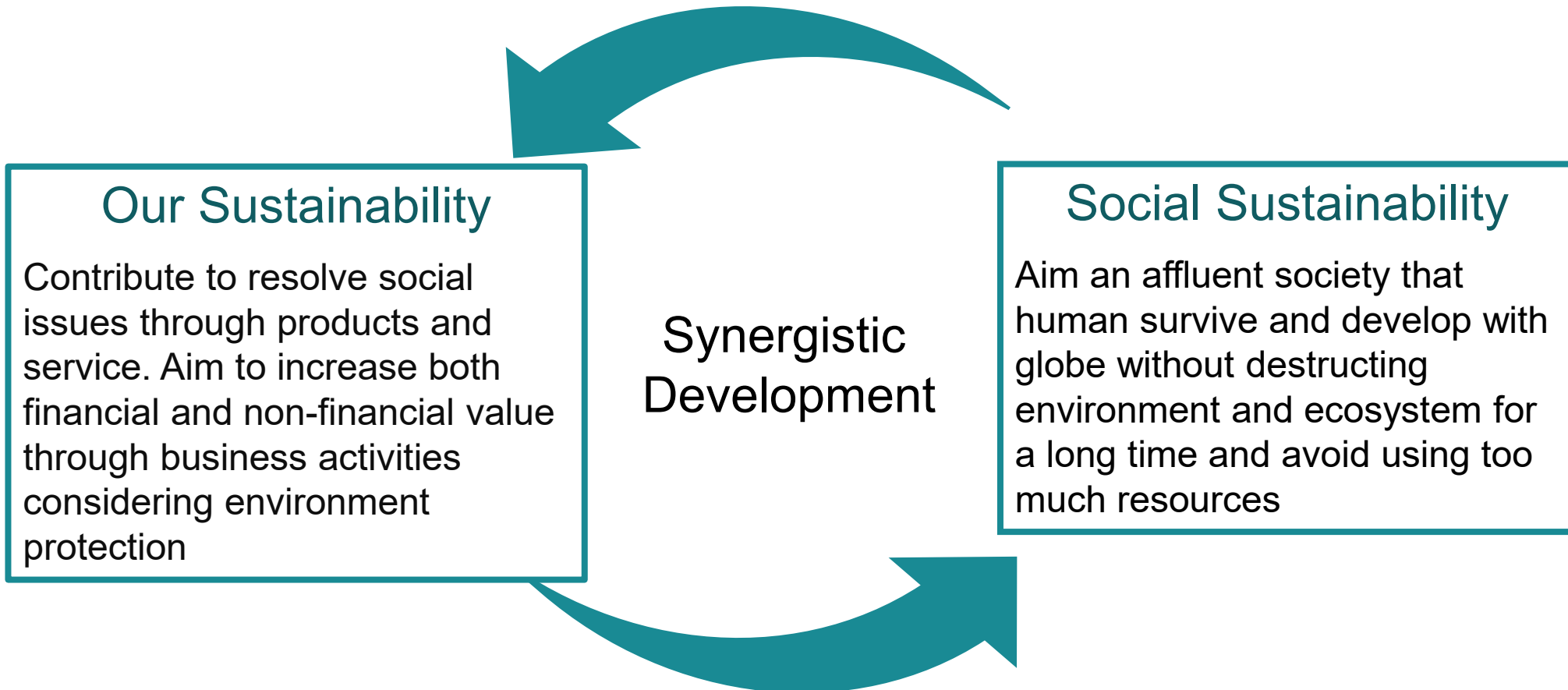
ESG-linked portion 10%

【Evaluation Indicators】

- ESG evaluation by third-party organizations
- Rate of reduction of GHG emissions
GHG emissions in FY2027: Reduce by at least 30% compared to FY2018 (P39)

* The ratio of the portions of the composition varies according to the Company's performance

We will contribute to resolve social issues through business. We will aim sustainable growth by keep creating both “financial value” and “social value”.



The forward looking statements in this material are based on information available at the time of preparation of the material. Although they reflect our current expectations, these statements are not guarantees of future performance, but include a number of risks and uncertainties. Actual results may largely differ from these statements due to various factors which may be beyond company control.

No information in this material is provided as an offer to buy or sell the shares of the company. We urge users of the material to make investment decision based upon own judgment.

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