

## Environment

Aspect	Classification	Scope	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Prevention of global warming	Energy consumption (crude oil equivalent)	Nippon Shokubai	1,000 kL	194	196	195	198	191
		Nippon Shokubai (Manufacturing Site)		186	188	187	190	182
		Group Companies in Japan		27	27	27	27	26
		Group Companies outside Japan		91	86	86	91	89
	Energy intensity	Nippon Shokubai (Manufacturing site)	L/tons-production volume	109	103	98	104	102
	CO2 emissions	Nippon Shokubai	1,000 tons -CO2	765	780	797	763	731
		Nippon Shokubai (Manufacturing Site)		749	763	780	747	716
		Group Companies in Japan		62	63	63	63	60
		Group Companies outside Japan		323	318	304	347	342
	CO2 emissions intensity	Nippon Shokubai (Manufacturing Site)	tons/tons-production volume	0.436	0.417	0.411	0.407	0.402
Energy source CO2 emissions intensity	Nippon Shokubai (Manufacturing site)	tons/tons-production volume	0.219	0.204	0.194	0.199	0.192	
Amount of calculated leakage of fluorocarbons	Nippon Shokubai	tons-CO2	2,513	2,276	6,162	1,704	3,194	
Scope3 emissions (Category No.1~7,12)	Nippon Shokubai	1,000 tons - CO2	3,636	3,826	3,984	3,812	3,701	
Environmental conservation for logistics	CO2 emissions attributable to domestic logistics	Nippon Shokubai	1,000 tons - CO2	13.1	14.0	14.7	14.4	14.2
	CO2 emissions intensity attributable to domestic logistics	Nippon Shokubai	kg/1,000 tons k	56.5	57.4	59.0	58.6	58.5
Water consumption	Water consumption	Nippon Shokubai	million m3	15.2	15.8	15.8	15.0	14.9
		Group Companies in Japan		5.2	5.3	5.6	5.8	5.9
		Group Companies outside Japan * 1		46.6	47.1	46.5	48.5	47.4
Prevention of air and water pollution	SOx emissions	Nippon Shokubai	tons	3.3	3.4	2.8	3.5	3.5
		Group Companies in Japan		1.6	1.9	1.5	1.6	1.4
	NOx emissions	Nippon Shokubai	tons	173	205	204	198	203
		Group Companies in Japan		54	44	48	45	43
	Dust emissions	Nippon Shokubai	tons	5.1	6.1	6.4	6.3	6.5
		Group Companies in Japan		5.0	2.7	2.3	2.2	3.3
	VOC emissions	Nippon Shokubai	tons	67	60	75	82	89
	COD emissions	Nippon Shokubai	tons	46	51	54	55	50
Group Companies in Japan		37		34	45	53	60	
Total phosphorous emissions	Nippon Shokubai	tons	2.7	2.8	2.8	2.9	2.7	
Total nitrogen emissions	Nippon Shokubai	tons	51	54	47	58	55	
Waste reduction	Waste* 2	Nippon Shokubai	1,000 tons	3.2	3.9	2.9	3.1	2.8
		Group Companies in Japan		5.5	5.5	5.5	5.6	6.0
		Group Companies outside Japan		1.4	2.7	0.9	2.6	0.7
	Quantity of recycling	Nippon Shokubai	1,000 tons	37	40	40	40	34
		Group Companies in Japan		2.3	2.2	2.3	2.6	2.2
		Group Companies outside Japan		8.6	8.4	7.8	9.3	10.3
	Quantity of final off-site landfill	Nippon Shokubai	tons	76	22	23	13	11
		Group Companies in Japan		119	97	69	60	71
Group Companies outside Japan		395		302	296	255	240	
Chemical management	Substances subject to the PRTR law	Nippon Shokubai	tons	108	98	97	96	78
		Released into Atmosphere		48	42	48	47	41
		Released into Water		59	55	49	49	37
		Group Companies in Japan		34	34	37	39	35
Environmental accounting	Environmental protection cost (Investment)	Nippon Shokubai	million yen	484	461	821	2,403	2,960
	Environmental protection cost (Expense)	Nippon Shokubai		6,982	7,429	7,894	8,666	9,678
	Economic effect resulting from environmental protection initiatives	Nippon Shokubai		2,655	4,292	5,346	2,649	2,577

\*1 Includes use of seawater as cooling water

\*2 The quantity of off-site waste emission is obtained by subtracting the quantity of on-site reduction, on-site recycling, on-site landfill and off-site recycling from the quantity of waste generated.

**Social**

Aspect	Classification	Scope	Unit	FY2015	FY2016	FY2017	FY2018	FY2019	
Employees	Number of employees	Number of employees	Consolidated	persons	4,006	4,161	4,219	4,454	4,510
		Number of employees	Nippon Shokubai		2,163	2,207	2,253	2,306	2,353
		Male	Nippon Shokubai		1,983	2,022	2,069	2,114	2,156
		Female	Nippon Shokubai		190	185	184	192	197
		Percentage of female	Nippon Shokubai		8.7	8.4	8.2	8.3	8.4
	Number of managers	Number of managers			502	516	521	530	548
		Male	Nippon Shokubai	persons	494	506	509	514	530
		Female	Nippon Shokubai		8	10	12	16	18
		Percentage of female	Nippon Shokubai		1.6	1.9	2.3	3.0	3.3
	Average age	Nippon Shokubai	ages		37.6	37.9	37.8	38.0	38.3
	Length of service	Average length of service	Nippon Shokubai	years	15.5	16.1	16.0	16.1	16.2
		Male	Nippon Shokubai		15.7	16.2	16.1	16.3	16.4
		Female	Nippon Shokubai		13.1	14.1	14.4	13.8	14.4
	Participation rate of labor union *3		Nippon Shokubai	%	68.5	68.4	68.8	69.7	69.4
Employment	Number of hires	Number of new graduate hires (College graduate)	Nippon Shokubai	persons	45	39	44	44	45
		Male	Nippon Shokubai		42	35	38	38	39
		Female	Nippon Shokubai		3	4	6	6	6
		Percentage of female	Nippon Shokubai		6.7	10.3	13.6	13.6	13.3
		Number of mid-career	Nippon Shokubai		persons	6	8	9	13
	Male	Nippon Shokubai	3	6		8	7	14	
	Female	Nippon Shokubai	3	2		1	6	2	
	Percentage of female	Nippon Shokubai	50.0	25.0		11.1	46.2	12.5	
	Number of foreign national employees		Nippon Shokubai	persons	5	5	5	5	4
	Employment rate of persons with disabilities		Nippon Shokubai	%	2.0	2.0	2.2	2.0	2.2
Re-employment	Re-employment rate of retired employees	Nippon Shokubai	%	77.3	81.6	83.9	85.7	87.0	
Turnover・Layoff	Turnover rate of regular employees (Personal)	Nippon Shokubai		1.2	1.5	1.4	1.6	1.4	
Work-Life Balance	Child Care	Number of employees using child care leave (Total numbers for fiscal	Nippon Shokubai	persons	16	25	24	21	23
		Male	Nippon Shokubai		0	3	2	2	3
		Female	Nippon Shokubai		16	22	22	19	20
		Number of employees using reduced working hours system for child care	Nippon Shokubai		25	26	29	27	29
		Return rate from child care leave of absence	Nippon Shokubai		%	100	100	100	100
	Nursing Care	Number of employees using nursing care leave and personal reasons of	Nippon Shokubai	persons	0	0	0	1	1
	Paid leave	Average annual paid leave acquisition days per employee (Labor union member)	Nippon Shokubai	days	11.9	12.7	12.3	13.4	13.0
		Rate of taking annual paid leave (Labor union member)	Nippon Shokubai	%	62.6	67.4	66.1	71.6	69.0
		Average annual paid leave acquisition days per employee (Management)	Nippon Shokubai	days	—	—	9.8	11.4	10.9
		Rate of taking annual paid leave (Management)	Nippon Shokubai	%	—	—	49.1	57.1	54.5
		Average annual paid leave acquisition days per employee (All)	Nippon Shokubai	days	—	—	11.5	12.9	12.5
		Rate of taking annual paid leave (All)	Nippon Shokubai	%	—	—	60.7	68.1	65.6
	Working hours	Average overtime hours (Hours/Month)	Nippon Shokubai	hours	15.2	16.4	16.1	15.8	15.4

Human right	Number of Child Labor and Force Labor		Consolidated	numbers	0	0	0	0	0
Human resources development	Training	Total number of hours spent on employee's	Nippon Shokubai	hours	-	-	53,450	57,458	55,783
		Training time per	Nippon Shokubai		-	-	23.7	24.9	23.7
Occupational safety and health	Number of injuries with loss of workdays		Nippon Shokubai	numbers	0	1	1	2	2
	Frequency of injuries with loss of workdays		Partner company		1	1	3	1	1
			Nippon Shokubai	%	0.00	0.28	0.27	0.54	0.54
Social contribution	Expense	Amount paid for activities on social contributions (incl. Donation)	Nippon Shokubai	million yen	149	118	100	124	126
		Donation	Nippon Shokubai		83	57	42	54	54
	Volunteer activity	Number of participants for "Japan-China Friendship Forest Development and Global Warming Prevention"	Nippon Shokubai	persons	17	17	5*4	5*4	3*4
		Number of participants for "Contributing to Our Forests and Water"	Nippon Shokubai		228	236	257	193	175
		Number of participants for "Contributing to the "Yugawara Myriad Leaves Forest""	Nippon Shokubai		167	150	151	103	56
Number of participants for "Japan-Indonesia Friendship Forest of Banten Bay for		Nippon Shokubai PT. Nippon Shokubai Indonesia	-		-	-	58	60	
Compliance	Number of participants in the rank-based training for corporate ethics		Nippon Shokubai	persons	500 (Managers)	312 (Mid level employees)	849 (General employees)	885 (General employees)	522 (Managers)
Compliance with laws and	Number of internal reporting		Nippon Shokubai	numbers	1	2	1	3	4
	Number of violators for "For Compliance with Anti Bribery Laws in Nippon Shokubai Group's Code of		Consolidated	persons	0	0	0	0	0
	Fine and penalty for bribery		Consolidated	yen	0	0	0	0	0
	Number of violators for "For Compliance with Competition Laws in Nippon Shokubai Group's Code of		Consolidated	persons	0	0	0	0	0
Contribution	Political Contribution		Nippon Shokubai	yen	0	0	0	0	0

\* 3 All applicable employees join the labor union based on the Union Shop Agreement.

\* 4 Because of preparatory period for coming new activities, the secretariat and NPO members performed maintenance work.

## Corporate Governance

Aspect	Classification	Scope	Unit	FY2015	FY2016	FY2017	FY2018	FY2019	
Related information for management	Number of Members of the Board	Members of the Board (incl. Outside Members of the Board)	Nippon Shokubai	persons	8	9	9	9	9
		Outside Members of the Board	Nippon Shokubai		2	3	3	3	3
	Number of Members of Auditors Meeting	Statutory Corporate Auditors (incl. External Statutory Corporate Auditors)	Nippon Shokubai	persons	4	4	4	4	4
		Statutory Corporate Auditors	Nippon Shokubai		2	2	2	2	2
	Outside Officers composition ratio of the Nominating and Remuneration Committee* 5		Nippon Shokubai	%	–	66.7	66.7	66.7	66.7
	Remuneration of Members of the Board (except Outside Members of the Board)		Nippon Shokubai	million yen	394	364	391	380	334
	Remuneration of Statutory Corporate Auditors (except External Statutory Corporate Auditors)		Nippon Shokubai		45	46	48	48	47
Remuneration of Outside Officers (except External Statutory Corporate Auditors)		Nippon Shokubai	22		32	36	35	34	
Shareholder	Voting rights for Bonus for Member of the Board		Nippon Shokubai	voting	Yes	Yes	Yes	Yes	Yes
	Dividend	Interim	Nippon Shokubai	yen	65	75	75	80	90
		Annual	Nippon Shokubai		150	150	160	170	180
Dividend Payout Ratio	Japanese GAAP	Consolidated	%	23.4	31.4	26.3	–	–	
	IFRS* 6	Consolidated		–	–	28.2	28.4	64.7	

\* 5 The Nominating and Compensation Committee was established in 2016.

\* 6 The Group has prepared its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) from FY2018 (Date of transition: April 1, 2017).