

## Value Creation of the Nippon Soda Group

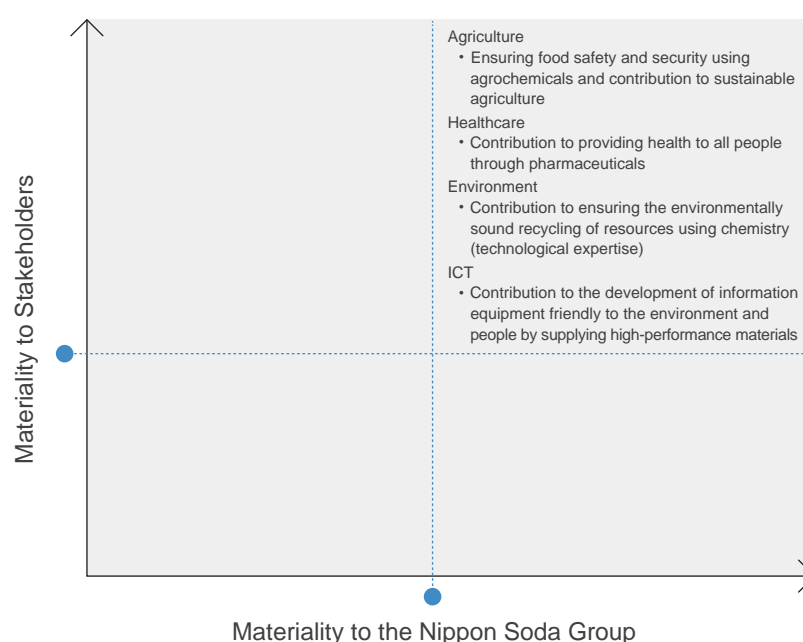
Since its establishment in 1920, the Nippon Soda Group has contributed to the development of society and provided new value to society through chemicals, and has supported people's everyday lives by delivering a range of chemical products and services.

In May 2020, we identified new materiality (important issues) in the four areas of agriculture, healthcare, environment and ICT to contribute to the creation of a sustainable society and increase corporate value based on the Group's Long-Term Vision, "Brilliance through Chemistry 2030," and its Medium-Term Business Plan 2020-2022 "Brilliance through Chemistry Stage I." As a framework for increasing the effectiveness of the Group's materiality initiatives, we will utilize the monitoring functions of "CSR Activities to Protect Corporate Value" and "CSR Activities to Improve Corporate Value."

### ● Materiality Identification Process

Sustainable growth and relevance in our Long-Term Vision was discussed and materiality was identified through the following steps:

Step 1	Extracting "Megatrends," "Risks" and "Opportunities"
Step 2	Extracting materiality for sustainable social development and increasing corporate value (Consideration of megatrends and the value provided by Nippon Soda)
Step 3	Confirmation of conformity with management policy and business strategy for the extracted materiality
Step 4	Approval by the Management Council



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## Business and SDGs of the Nippon Soda Group

In September 2015, a milestone year for the United Nations development agendas, the United Nations Sustainable Development Summit was held at the UN headquarters in New York. The summit was attended by more than 150 heads of state of member nations and resulted in the adoption of the official document, *Transforming Our World: The 2030 Agenda for Sustainable Development*. This agenda includes declarations and goals, stated as action plans for the prosperity of people and the Earth. The newly established goals, which succeed the Millennium Development Goals (MDGs), are called Sustainable Development Goals (SDGs) and are comprised of 17 goals and 169 targets.

In the Nippon Soda Group's Basic CSR Policy, the Group aims to "contribute to solving social issues that contribute to the sustainable development of society through our business activities" as a form of "CSR Activities to Improve Corporate Value." One company cannot tackle all of the SDGs alone, but if many different companies throughout the world do what they can toward resolving these issues, we believe that the combined efforts will result in the realization of a sustainable society.














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## Materiality

CSR Activities to Protect Corporate Value*		
As a corporate organization that lives up to the trust of society, we will address the three key issues of Initiatives for the Environment, Social Activities, and Governance.		
Initiatives for the Environment	<ul style="list-style-type: none"> <li>Tackling climate change (participation in the "Low Carbon Society Action Plan" of the Ministry of Economy, Trade and Industry)</li> <li>Tackling the preservation of biodiversity (promoting activities to preserve forests and water sources)</li> </ul>	
Social Activities	<ul style="list-style-type: none"> <li>Promoting dialogue with consumers, business partners and local communities and responding appropriately</li> <li>Promoting diversity, work-life balance and career programs</li> <li>Conducting constructive dialogue with shareholders and investors and disclosing information in a timely and appropriate manner</li> </ul>	
Governance	<ul style="list-style-type: none"> <li>Enhancing corporate governance (transition to a company with an audit and supervisory committee)</li> <li>Promoting compliance management (enhance and properly operate systems and conduct training)</li> </ul>	
* As a chemical manufacturer, the Group's RC (responsible care) activities form the foundation of its CSR activities.		

Management System and Organizational Governance	Environmental Protection	Process Safety and Disaster Prevention/ BCP
Occupational Safety and Health	Logistics Safety and Quality Assurance	Chemicals and Product Safety
Together with Our Customers (Consumer Issues)	Together with Our Employees (Human Rights and Labor Practices)	Together with Our Business Partners (Fair Operating Practices)
Together with Shareholders and Investors	Together with Our Local Communities (Community Involvement and Social Dialogue)	

CSR Activities to Improve Corporate Value	
Aiming for the realization of a sustainable society, we are working on four material issues: Agriculture, Healthcare, Environment, and ICT	
<div> <div>Agriculture</div> <div> <div>  </div> <div> <p>Ensuring food safety and security using agrochemicals and contribution to sustainable agriculture</p> <p>(1) Increasing production of food and feed worldwide</p> <p>(2) Diversification of crop protection</p> <p>(3) Improvement of user safety (Chemicals and Product Safety)</p> </div> </div> </div>	<div> <div>2</div> <div> <div>ZERO HUNGER</div>  </div> </div>
<div> <div>Healthcare</div> <div> <div>  </div> <div> <p>Contribution to providing health for all people through pharmaceuticals</p> <p>(1) Easy-to-take, effective medicines through NISSO HPC</p> </div> </div> </div>	<div> <div>3</div> <div> <div>GOOD HEALTH AND WELL-BEING</div>  </div> </div>

<div> <div>Environment</div> <div> <div>  </div> <div> <p>Contribution to ensuring the environmentally sound recycling of resources through chemicals (technological expertise)</p> <p>(1) Steady supply of water resources</p> <p>(2) Reduction of environmental burden from waste</p> <p>Contribution to sustainable plant conservation</p> <p>(1) Protection of precious trees such as pines from harmful insects</p> </div> </div> </div>	<div> <div>6</div> <div> <div>CLEAN WATER AND SANITATION</div>  </div> </div> <div> <div>11</div> <div> <div>SUSTAINABLE CITIES AND COMMUNITIES</div>  </div> </div> <div> <div>12</div> <div> <div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div>  </div> </div> <div> <div>15</div> <div> <div>Life on Land</div>  </div> </div>
<div> <div>ICT</div> <div> <div>  </div> <div> <p>Contribution to the development of information equipment friendly to the environment and people by supplying high-performance materials</p> <p>(1) Supply of high-performance materials friendly to the environment and people</p> </div> </div> </div>	<div> <div>9</div> <div> <div>Industry, Innovation and Infrastructure</div>  </div> </div>