

NICHIAS Group Carbon-Neutral Declaration

We, NICHIAS Group recognizes our corporate social responsibility to reduce our generation and emission of greenhouse gases such as carbon dioxide, which cause global warming.

In addition, NICHIAS Group also believes that proactively promoting effort of those initiatives will contribute to sustainability management and support the sustainable growth of companies.

Based on those efforts, NICHIAS Group hereby declares that greenhouse gas emissions from all our business sites shall be reduced to net-zero (i.e. Carbon Neutral) by 2050.

Since NICHIAS Group is expected to achieve the initial milestone target of reducing 30% of GHG emissions by the end of 2024, we hereby set the new reduction target which conform to 1.5°C target of Paris Agreement as per stated below:

【Reduction of emission target】

(Milestone by 2030)

- | | |
|-------------------------------|---|
| ① Direct emissions (Scope1,2) | Reduce GHG emissions by 42% (from base year FY2021)
(Direct emissions = 148,000t-CO ₂ eq/year) |
| ② Indirect emissions (Scope3) | Reduce GHG emissions by 25% (from base year FY2021)
(Reduction categories of scope 3 shall be 1,3,11) |

(Key Measures)

Shift to manufacturing that will lead to decarbonization

- Implement innovative production methods that reduce GHG emissions during the process.
- Develop and transition of products that enables lower GHG emissions.

Promote greater energy efficiency as all Group business sites

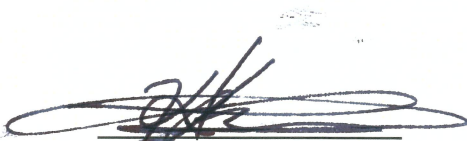
- Improve energy efficiency by introducing the energy-saving technologies and products.
- Ensure day-to-day energy-saving practices at all factory sites and offices.

Active use of renewable energy such as Photovoltaic Power Generation systems.

- Active adoption of renewable energy generation & battery storage systems.
- Purchase off-site renewable energy.

Promoting energy savings in our products

- Develop and sales promotion of product that contribute to improve energy-saving performance.



Nichias Corporation
Katsumi Kametsu, President & CEO