


## Reporting as Based on TCFD Recommendations

 Please refer to the JSR Sustainability Site for more details.  
[https://www.jsr.co.jp/jsr\\_e/sustainability/management/tcfid.shtml](https://www.jsr.co.jp/jsr_e/sustainability/management/tcfid.shtml)

### Philosophy

JSR Group sees the problem of climate change currently facing society as one of the most important issues for the company, and we are therefore actively working to reduce greenhouse gas emissions both internally and externally. As a manufacturer of chemical materials, our production and distribution processes affect climate change in various ways, but our materials and products also have the potential to help mitigate climate change indirectly. In that sense, climate change is a matter of deep concern for JSR Group.

It is in this context that we, as a corporate group, expressed our support for the TCFD Recommendations in October 2020. We believe that these recommendations will contribute to the development of a sustainable society transitioning to a low carbon economy. As a chemical company which is earnestly confronting climate change, we seek to deepen our understanding of the relevant opportunities and risks in our Group's business activities, taking action accordingly and striving to proactively and publicly disclose our initiatives. We will continue to strive to reach our target of net zero GHG emissions by FY2050 and will help society as a whole lower its GHG emissions with our products.

The TCFD Recommendations call for disclosure of information pertaining to climate change-related governance, strategy, risk management, and metrics and targets. JSR Group is taking the following action in line with these recommendations.

<b>Governance</b>	Development of a managerial governance structure relating to climate change risks and opportunities
<b>Strategy</b>	Analysis of impacts that climate change-related risks and opportunities will have on business, strategic and financial planning
<b>Risk Management</b>	Development of framework for assessing and managing climate change-related risks and opportunities
<b>Metrics and Targets</b>	Establishment of metrics and targets for managing risks and opportunities and disclosure of progress

### Governance

JSR utilizes a supervisory structure, overseen by the Board of Directors, to examine appropriate responses and decide upon what courses of action to take with regard to the potential business risks posed by climate change and other issues. In FY2020, the position of Chief Sustainability Officer (CSO) was established, contributing to more robust supervision of sustainability initiatives including climate change response by the Board of Directors.

### Metrics and Targets Relating to GHG Emissions Reductions

#### FY2030 intermediate target

As of 2030 **30% lower** than FY2020

We are promoting energy conservation measures and the switch to renewable energy globally and aim for FY2030 CO<sub>2</sub> emissions that are 30% lower than in FY2020. We are also challenging ourselves to implement innovative energy technologies and developing eco-friendly products and services to help establish a carbon-free, circular society.



#### FY2050 targets

As of 2050 **Net zero**

JSR Group will continue actively striving to reduce our GHG emissions to net zero by 2050.

### Strategy

In FY2019, in line with the TCFD recommendations, we began a scenario analysis in preparation for evaluating climate change-related risks and opportunities for our business and setting strategy and metrics and targets. We completed our evaluation of climate change importance and our qualitative climate change scenario analysis in FY2020. However, we are revising earlier qualitative analysis results to reflect the fact that in FY2021 we transferred our Elastomers Business, which had the greatest climate change impact of all our businesses. (The major business domains previously evaluated were the Digital Solutions Business, Life Sciences Business, Elastomers Business, and Plastics Business.) In a separate note, our analysis is based on 1.5°C and 4°C scenarios.\*

At the same time, we recognize that responding to climate change cannot wait. For that reason, we have established preliminary measures along with metrics and targets for reducing GHG emissions and are working to reach those targets.

\* Two climate-related scenarios of a type defined by such organizations as the Intergovernmental Panel on Climate Change (IPCC). They are descriptions of the economic measures that will be necessary to hold the increase in average air temperatures worldwide to within 1.5°C and 4°C respectively and forecasts of the damage expected from the increase in temperature.