JSR Group's Materiality

Materiality within JSR Group

Business Activity

Future Guidelines for Materiality (Management Foundation)

Clarify approaches to priority issues and set concrete targets.

Environmental conservation and impact reduction

- Make a Group-wide declaration to reduce CO₂ emissions to effectively zero by 2050.
 - · Define the way forward in the new mid-term business plan and have all divisions/departments jointly envision scenarios for effectively achieving "zero CO2 emissions by 2050" in accordance with it.
 - Incorporate the current "Response to the TCFD Recommendations" into the scenarios.
 - Firmly address water issues and the 3Rs (reduce, reuse, and recycle).

Clarify qualitative targets to improve systems and environments.

Employees DE&I and Ways of working



• DE&I The introduction of a quota system should be proactively considered to increase the ratio of female managers. However, systems must be designed that also include support measures. At the same time, it is important to appreciate why diversity is necessary and to cultivate a mindset that links diversity to competitiveness.

• Ways of working Conduct engagement surveys and apply them in "measuring employee satisfaction," "designing and reevaluating systems," "setting KPIs," and other various ways. Also consider the use of digital transformation (DX).

Health and safety



Enhance mental health care in combination with new ways of working.

 As remote work becomes the norm, the potential for loneliness and isolation makes mental health support more important than ever. Reverify the importance of mental health care and study steps to reinforce support systems.

 Remember that differences in workplace environments and working styles mean that anxiety arising from infectious diseases is not uniform. Steps must be taken to eliminate anxiety and create an atmosphere in which contracting infectious diseases is not viewed negatively.

Respect for human rights

Supply chain

Set targets through dialogues with experts.

 While chemical manufacturers are less likely to impinge on human rights, we must remember that international concern for this matter is high and that neglecting it may put us behind social trends. Give all employees opportunities to learn about human rights.

· Consider holding dialogues with outside experts and international NGOs.

Supply chains intrinsically involve a complexity of issues. Begin by visualizing risks and issues.

- Identify risks in the supply chain—including those concerning human rights and labor-with particular focus on the environment.
- · Visualize new risks and issues arising in the growing Digital Solutions and Life Science businesses.
- · Consider asking business partners to do the same (and conducting audits in some cases).



Corporate governance