

Materiality

Our group has identified the materiality needed to realize the corporate vision in 2030 as “A corporate group which provides new values for helping to enrich people’s lives by integrating internal and

external knowledge with facing globally-changing society”, and “A group of first-class pioneers who blaze a way to the future with enthusiasm by trusts they have built and skills they have cultivated”.

Materiality Identification Process

Gain Understanding About Social Issues and Social Changes



Social Issues and Changes

- Advanced climate change
- Global crisis
- Worsening health issues
- Diversification of risk factors
- Intensification of inter-corporate competitions
- Changes in lifestyle
- Increase of requests for CSR considerations in the Supply Chain
- Increase of requests for consideration of health and safety in the work environment
- Advent of a smart society
- Exacerbation of the food issues
- Labor shortage
- Increase of interest in corporate governance reform
- Increase of requests for information disclosure

Based on our group’s long- and mid-term business plans, we clarified more than 500 keywords for social issues and social changes, referring to SDGs and ESG-related metrics and guidelines.

Keyword Collection



Keywords related to social issues and social change were classified by theme and collected to form 29 materiality factors.

Management of Impact on Our Group



In regards to the 29 materiality factors, we clarified the social issues and changes that are expected from now to 2030 and then made arrangements to manage the impact on the Group.

Importance Evaluation



We conducted an evaluation regarding the importance of materiality factors from two perspectives, that of our company and that of our stakeholders, based on the Group impact.

Opinion Exchange with Experts



We exchanged opinions about materiality factors with experts that possess a high degree of knowledge in various fields and also took the opinions of stakeholders into account.

Opinions from experts are found on our website. ▶ https://www.nissanchem.co.jp/eng/csr_info/management/materiality.html

Materiality Matrix Formulation



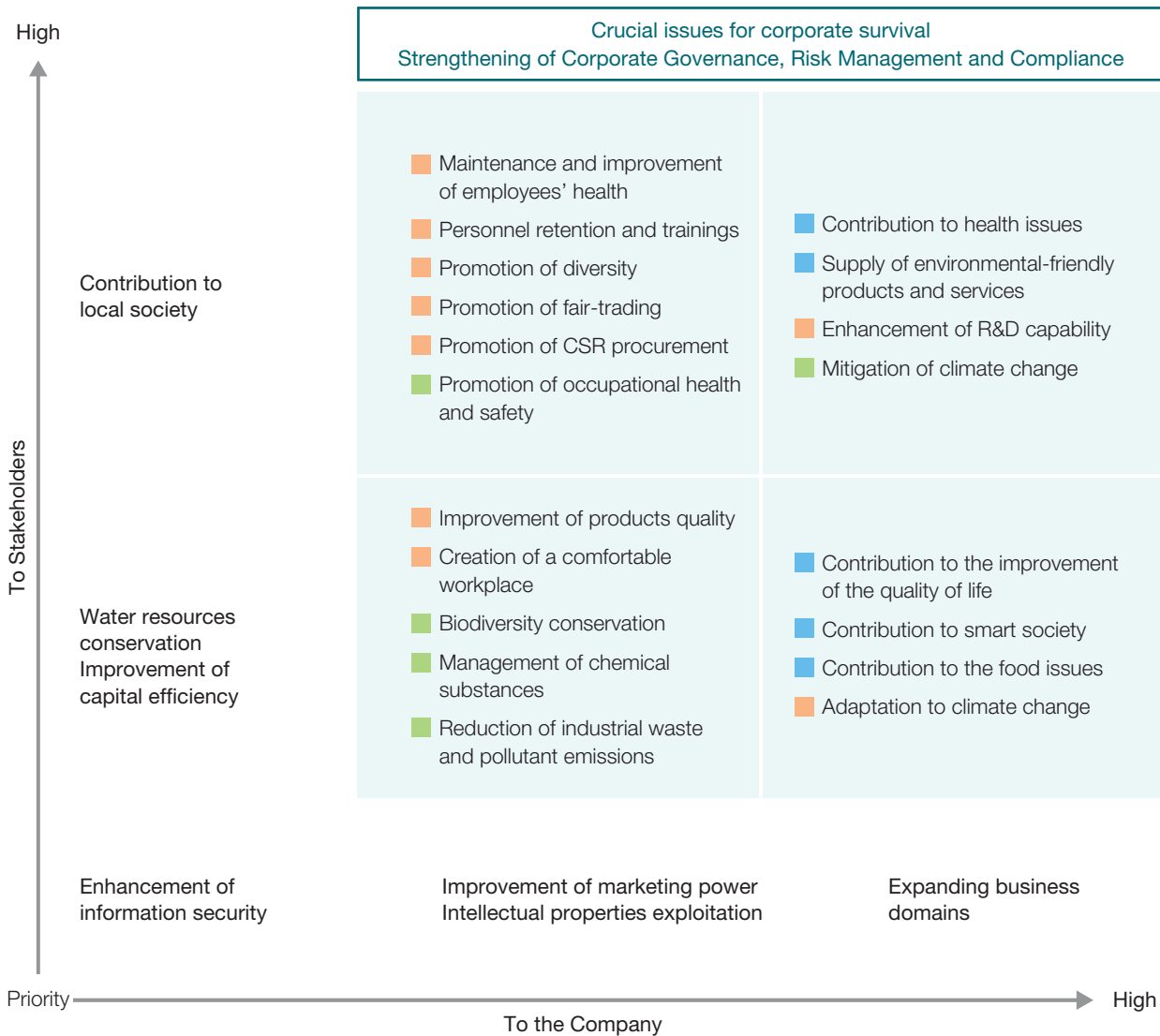
After numerous in-house discussions, we formulated a materiality matrix based on the opinions of stakeholders.

Materiality Identification (through resolution by the Board of Directors)

Total of 19 materialities was identified after discussions held by the CSR Committee based on the materiality matrix. The results of the meeting were then resolved by the Board of Directors.

Materiality Matrix









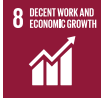







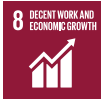




<ul style="list-style-type: none"> Provision of new value for helping to enrich people's lives 	<p>We aim to provide new value for helping to enrich people's lives through four businesses based on five core technologies.</p>
<ul style="list-style-type: none"> Strengthening of Nissan Group's business base 	<p>We aim to strengthen our business base to improve our ability to respond to increasingly diverse and sophisticated marketing needs.</p>
<ul style="list-style-type: none"> Continuous improvement of responsible care activities 	<p>We aim to enhance the maintenance of environment, health, and safety through the operation of the Nissan Chemical Responsible Care Management System.</p>



Materiality

Materiality and KPI

Materiality	Factor	Our Initiative
<p>■ Provision of new value for helping to enrich people's lives</p> 	Contribution to health issues	Creation of pharmaceuticals that meet medical needs and biomedical materials that contribute to advanced medical care
	Supply of environmental-friendly products and services	Sale of high-grade urea solution for exhaust gas purification of diesel vehicles Development of energy harvesting materials that contribute to the utilization of unused energy
	Contribution to the improvement of the quality of life	Research and supply of veterinary pharmaceuticals for companion animals and sales of disinfectants for drinking-water
	Contribution to smart society	Development of sensor materials required for IoT and wiring materials that contribute to higher capacities and speeds of data communications
	Contribution to the food issues	Supply of agrochemicals to increase crop yields and conserve agricultural labor, and the expansion of veterinary pharmaceuticals to livestock
<p>■ Strengthening of Nissan Group's business base</p> 	Enhancement of R&D capability	Deepening core technologies, promotion of open innovation, and introduction of new technologies such as AI
	Improvement of products quality	Continuous improvement of management systems and operations based on quality policy
	Maintenance and improvement of employees' health	Review of health promotion measures by the health promotion committee and mental health checkups
	Creation of a comfortable workplace	Promotion of work-life balance, measures against harassment, and support for childcare and family care
	Personnel retention and trainings	Provision of educations and capability trainings, and introduction of overseas study program
	Promotion of diversity	Promotion of active participation of women, hiring foreign students and people with disabilities
	Promotion of fair-trading	Implementation of internal training on the "Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors" and the insider trading regulations
	Promotion of CSR procurement	Conduct of assessment and audits of suppliers on CSR
Adaptation to climate change	Formulation of BCPs to prepare for the plants' inability to operate due to natural disasters	
<p>■ Continuous improvement of responsible care activities</p> 	Mitigation of climate change	Energy saving through equipment improvement and fuel conversion that leads to GHG emissions reduction
	Promotion of occupational health and safety	Establishment of an occupational safety management system and execution of capital investment in safety
	Biodiversity conservation	Operation of Bio-Park and support for the NPO "Kurohama-numa Shuhen no Shizen wo Taisetsu ni Suru Kai"
	Management of chemical substances	Minimization of negative impacts on human health and the environment throughout the life cycle of chemical products
	Reduction of industrial waste and pollutant emissions	Reduction of the amount of waste for final disposal volume by reusing and recycling waste and changing intermediate process methods

FY2021 Targets (KPI)	FY2019 Result	Relation with SDGs
License out candidates of drug agents	Started investigator-initiated clinical trial of anti-arrhythmic agent Researches underway to create new development candidates of active pharmaceutical agents	
Launch of new medical materials	Completed prototype of automatic culture device for FcEM®Cellhesion® Started shipments of prevelex® coated containers for testing and research use	 
Launch of new environmental-friendly products	—	 
Number of people positively impacted by the sales of disinfectants for drinking water: 2.5 million per year	900,000 per year (Shipping stagnation in FY2019)	 
Expanded adoption of sensors and semiconductor packaging materials/Adoption and launch of materials for optical communications	Full-scale sale of CMOS sensor materials and semiconductor packaging materials are expected to occur from 2022, and development of optical interconnect materials is in progress.	
Achieving 10% higher sales than in FY2018 by the Agricultural Chemicals Division	2.1% higher than FY2018 (FY2019 sales: 64,039 million yen)	
Reaching 1,350 patent applications in three years by FY2021	426 (FY2018: 454 patent applications)	 
Achieving 80% outsourcer audit rate in three years by FY2021	46%	 
Consecutively acquiring White 500 certification	Acquired White 500 certification for four consecutive years from 2016	 
Achieving ratio of taking annual leave of 80% or higher	73.2%	
Achieving 10% more job training time per employee than in FY2017	10 hours (11 hours in FY2017)	 
Achieving proportion of females among employees in the regular position of 10%	9.6%	 
Holding consultation meetings with Legal Office throughout the Group by FY2021	5% (Held zero consultation meetings in FY2019)	
Achieving CSR questionnaire survey coverage of 90% (in terms of monetary amount)	69%	
Formulating BCP where products account for 50% of ordinary income	Formulated BCP where products account for 38% of ordinary income	
GHG emission rate: Improving 20% from FY2013 level Energy consumption rate: Improving 20% from FY2013 level	GHG emission rate: Improved by 29% from FY2013 level Energy consumption rate: Improved by 21% from FY2013 level	 
Achieving zero accident requiring staff time off from work	Two accidents occurred requiring staff time off from work	 
Achieving 100% initiative for prefectures in which our Head Office, plants, and laboratories are located	83%	
Creating safety summaries of chemical substances of products that account for 90% of our total production	74%	
99.5% or more recycling rate Achieving 75% reduction of exhaust gas (SOx + NOx) emissions compared to FY2013	Recycling rate: 97.0% Exhaust gas (SOx+NOx) emissions: Reduced by 50% from FY2013 level	