

News Release

March 18, 2022 ADEKA CORPORATION

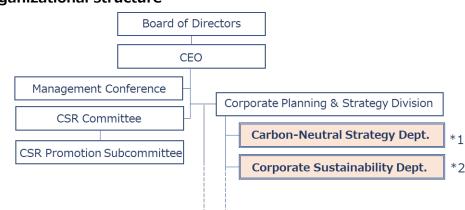
ADEKA to build a New organization to promote Carbon Neutrality

ADEKA CORPORATION (President: Hidetake Shirozume) has decided to create the Carbon-Neutral Strategy Dept. and the Corporate Sustainability Dept. as of April 1, 2022 with the aim of flexibly advancing initiatives throughout the Group as ADEKA strives to realize carbon neutrality by 2050 and achieve sustainable growth through sustainable management.

Natural disasters have become more frequent in recent times due to climate change, which is having diverse effects in addition to threatening the everyday lives of people, which is why initiatives to deal with climate change on a global scale are a matter of urgency. Globally, we have entered a phase of accelerating specific initiatives to realize carbon neutrality by 2050, such as reducing greenhouse gas (GHG) emissions and decreasing environmental loads.

The ADEKA Group is aiming to "achieve carbon neutrality by 2050." We will build an organization that can work flexibly and strive to maximize both social and economic value, not only by reducing GHG emissions from our business activities but also by innovating with the technological capabilities that we have fostered so far and contributing to GHG reductions with wholly new technologies and products.

The ADEKA Group will aim to realize a sustainable society, sustainable growth for the Group, and affluent living by combining management and CSR.



New organizational structure

- *1 The Carbon-Neutral Strategy Dept. brings together measures previously promoted by production, research, and other internal departments, taking on the role of comprehensively drafting and implementing strategy for realizing Carbon Neutrality.
- *2 We are dissolving the earlier CSR Group in the Legal Affairs & Publicity Department, establishing the Corporate Sustainability Dept. under the Corporate Planning & Strategy Division. The office handles all aspects of promoting the Group's CSR and sustainability, including the management of activity targets and plans, based on our mid-term management plan that combines management and CSR.

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Supplementary notes:

1 : The ADEKA Group's sustainability activities

The ADEKA Group will define KPIs and implement initiatives to accomplish the Group's vision for 2030 in *ADEKA VISION 2030* - An Innovative Company Contributing to a Sustainable future and Affluent Lifestyles -, doing so on the basis of the Group CSR Priority Issues. We are promoting a combination of management and CSR to boost our corporate value through the maximization of social and economic value, seeing the mid-term management plan *ADX 2023* (FY2021-2023) as a first step toward realizing *ADEKA VISION 2030*.

We have facilitated this by establishing the CSR Committee, a CSR decision-making body chaired by the CEO in 2019, and the CSR Promotion Subcommittee, which handles companywide promotion, while the CSR Group in the Legal Affairs & Publicity Dept. has been responsible for CSR promotion.

We have decided to create the Corporate Sustainability Dept. under the Corporate Planning & Strategy Division, with the aim of increasing the degree of management and CSR combination and of achieving both a sustainable society and corporate sustainable growth.

2 : The ADEKA Group's climate action initiatives

The ADEKA Group is strengthening its initiatives, considering climate action not only as a corporate obligation but also as a business chance. We announced that we will realize Carbon Neutrality by 2050 in April 2021 and expressed support for the TCFD (Task Force on Climate-related Financial Disclosures) in February 2022.

At present, we are drafting and implementing measures to realize Carbon Neutrality by "reducing GHG emissions from our business activities," which means business reforms based on energy-saving efforts and climate change scenario analysis, and by "contributing to the reduction of GHG emissions through the creation of technologies and products."

For more details, see <u>ADEKA Group's Mid-term Management Plan ADX 2023</u> and <u>ADEKA</u> Group Initiatives for Climate Change Issues on our investors' information webpages.

■ Contacts

ADEKA Corporation

Publicity & Administration group , Legal Affairs & Publicity Department Tel: +81-3-4455-2803