

## Environmental Issues

### Initiatives to Address Environmental Issues

In April 2020, we identified four aspects of global environmental issues for which we have formulated a unified Group stance. These are tackling global warming, dealing with marine plastic waste, protecting biodiversity, and safeguarding water resources.

We now seek to generate at least 50% of consolidated net sales from environmentally friendly products and technologies by fiscal 2030.

	Goals and Initiatives
Environmental Issues	Generate at least 50% of consolidated net sales from environmentally friendly products and technologies by fiscal 2030
Global Warming	Provide materials and products that help reduce and recover GHG emissions
Marine Plastic Waste	Develop and provide materials and products that help resolve issues with plastic waste
Biodiversity	Help safeguard the environment and conserve biodiversity through business activities
Water Resource Conservation	Help conserve water by properly using and managing these resources

Set targets for cutting GHG emissions as key environmental challenges

	Targets
Global warming countermeasures	Reduce GHG emissions by 17% by fiscal 2030 (Chemicals: 20% reduction) (from fiscal 2013 levels)

We will continue striving to achieve these goals.

Detailed information about our basic approach to tackling environmental issues is available on the UBE Group's website:

<https://www.ube-ind.co.jp/ube/en/sustainability/rc/environment/issues.html>

### Structure Relating to Environmental Issues

Information about a chart on the structure relating to environmental issues is available on the UBE Group's website:

<https://www.ube-ind.co.jp/ube/en/sustainability/rc/environment/issues.html>

### (1) Tackling Global Warming

#### ● Cutting GHG Emissions

We reached our fiscal 2021 goal of reducing GHG emissions by 15% from fiscal 2005 levels ahead of schedule. We are now striving to further conserve energy and recycle more waste so we can reach our goal of cutting emissions by 17% Groupwide and 20% in the chemicals business from fiscal 2013

[https://www.ube-ind.co.jp/ube/en/ir\\_library/integrated\\_report/pdf/2021/integrated\\_report\\_environmental\\_safety\\_5.pdf](https://www.ube-ind.co.jp/ube/en/ir_library/integrated_report/pdf/2021/integrated_report_environmental_safety_5.pdf)

levels by fiscal 2030. We will focus on developing technologies to recover and use CO<sub>2</sub>, thereby helping lower the overall GHG emissions of our supply chain.

#### ● Creating and Expanding New Products and Technologies to Help Reduce Environmental Impact

We have reached the fiscal 2021 target ratio of the sales of such products and technologies to net sales in fiscal 2020, one year ahead of the target year. Going forward, we aim for 50% or more by fiscal 2030.

### (2) Dealing with Marine Plastic Waste

We use waste plastics as a source of energy for cement production, helping reduce the volume of this material going to landfills. We help prevent plastic from being discarded and flowing into the oceans by conducting cleaning along the industrial roads around our plants.

The UBE-Fujimagari Factory collects plastic and other waste along the Kotou River each June as part of Environment Month and the Seto Inland Seawater Conservation Month. The Chiba Petrochemical Factory removes polyethylene pellets from wastewater and collects them at the final wastewater treatment facility. It regularly cleans one kilometer of roads



*Polyethylene pellet collection equipment at Chiba Petrochemical Factory*



*Collecting plastic and other waste around Chiba Petrochemical Factory*



*Collecting plastic and other waste around UBE Film, Ltd.*

The UBE Group's Basic Stance on Environmental Issues



Structure Relating to Environmental Issues



GHG Emissions

Page 7 of the 2021 Integrated Report Supplementary Information (Environment and Safety) presents GHG emissions by segment.



within its premises. Approximately 100 employees from UBE Film, Ltd., take part in local cleanups each year, with 50 of them helping clean up plant environs once a month. UBE Steel Co., Ltd., uses high-temperature electric furnaces to melt steel scrap as a key raw material for mainstay billets and castings. It also melts glass and waste plastics at high temperatures during manufacturing processes to dispose of waste and use resources effectively.

### (3) Safeguarding Biodiversity and Conserving Water Resources

#### ● Private Business Partnership to Preserve Biodiversity

We support the Declaration of Biodiversity by Keidanren (Japan Business Federation) and take part in its Business and Biodiversity Partnership. The Chiba Petrochemical Factory participates in Chiba Prefecture's biodiversity conservation activities to help preserve the Japanese white pine\*, growing this tree on its premises.



\* The Japanese white pine in the Boso Hills is an extremely valuable cold season relic, but the local population of these trees has rapidly declined, prompting the Chiba prefectural government to designate it a most important protected species and undertake steps to both protect it and restore numbers.

#### ● Forest Conservation Initiatives

In fiscal 2020, 54 employees volunteered to take part in the 13th Forest Creation Experiential Activity for Water Conservation, thinning and logging bamboo.

Although we had to reduce the number of participants and shorten the activities because of the COVID-19 pandemic, this annual initiative is held for employees of companies using the Kotou River system in Yamaguchi Prefecture. It helps forests retain water and educates participants about the links between water and forests.

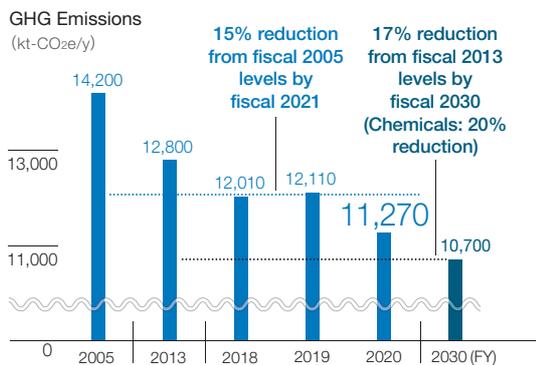
Officials from the Mine Agriculture and Forestry Office lectured participants about the benefits of forest conservation, deepening their understanding about the environment and the importance of conservation.



Employees participating in the 13th Forest Creation Experiential Activity for Water Conservation

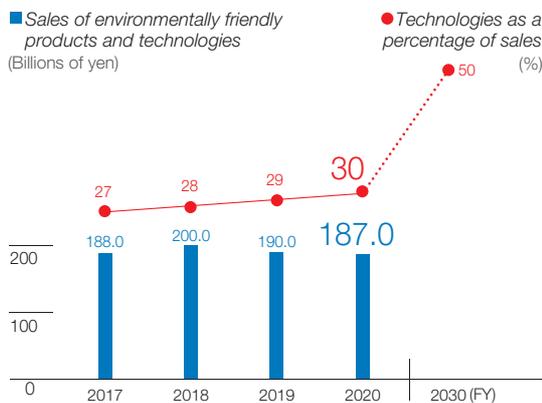
### Initiatives to Reduce GHG Emissions

#### Progress toward GHG Emissions Reduction Targets

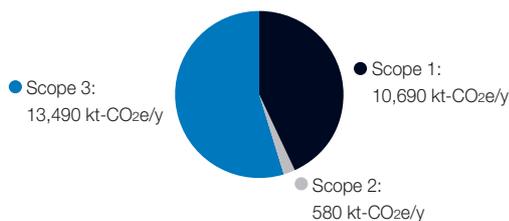


#### Progress in Creating and Expanding Our Lineup of Environmentally Friendly Products and Technologies

Aiming to raise the ratio to 50% or more by fiscal 2030



#### Emissions by Scope in Fiscal 2020



#### GHG Emissions (by Business) in Fiscal 2020

Business sites	kt-CO <sub>2</sub> e		Total
	Scope 1	Scope 2	
Chemicals Segment	2,970	510	3,480
Japan	2,150	200	2,350
Thailand	410	290	700
Spain	410	20	430
Construction Materials Company	7,530	70	7,600
Machinery Company	190	10	200
<b>Total</b>	<b>10,690</b>	<b>580</b>	<b>11,270</b>