

# Environmental Action Program





The Environmental Action Program sets forth the short-term target for concrete efforts to achieve the medium- to long-term environmental targets.

Since Stage 11, all of the Shinko Group's sites in Japan have been covered by the Environmental Action Program, in line with the scope of our medium- to long-term environmental goals. As a result, we have redoubled our efforts to realize a sustainable society.

Note: Up until Environmental Action Program (Stage 10), the target was the scope of activities of the environmental management system, and therefore, a site in Japan (SHINKO R&D Center) was excluded.

## Environmental Action Program (Stage 10)

Environmental Action Program (Stage 10) set forth the environmental targets to be achieved in the 2 years from FY2021 to FY2022. To the existing themes of "climate change" and "resource circulation," we added the new theme of "living in harmony with nature," and all targets were achieved by the final year of FY2022. In particular, the reduction of greenhouse gas emissions under the theme of climate change greatly exceeded the target.

Environmental Action Program (Stage 10)			Results of Environmental Action Program (Stage 10)	
 Climate change	Reduction of GHG emissions (GHG: greenhouse gas) <sup>1</sup>	●Reduce CO <sub>2</sub> emissions by 5.6% or more per year from the base year (FY2020) Reduction of 11.2% or more for total activity stage	22.6% reduction	Achieved
		●Increase renewable energy use by 4% per year Expansion of 8% or more for total activity stage	Rate of renewable energy use 30.4%	Achieved
 Resource circulation	Reducing waste	Hold generation of waste to within 7,254 tonnes by the end of FY2022	Amount of waste generated 6,126 t	Achieved
	Reducing water use <sup>2</sup>	Reduction of at least 76,000 m <sup>3</sup> equivalent to 2% of the FY2020 water consumption by the end of FY2022	2.3% reduction (87,645 m <sup>3</sup> )	Achieved
 Supply chain	Promoting green procurement	●Promote upstream initiatives in the supply chain to reduce CO <sub>2</sub> emissions ●Strengthen awareness of water resource conservation upstream in the supply chain	As planned 100% implementation	Achieved
 Living in harmony with nature	Conservation of biodiversity	●Participate in the adopt-a-forest program in Nagano Prefecture 4 times during total activity stage	Forest maintenance: Conducted 4 times	Achieved
		●Engage in biodiversity conservation in the Kurita Sogo Center	Natural environment survey Indicators selection Alien species control	Achieved
		●Implement environmental education and awareness activities to foster consciousness of biodiversity 10 times during total activity stage	Education and enlightenment 11 times	Achieved

Applicable to: scope of Environmental Management System activities

<sup>1</sup> Reduction of greenhouse gas emissions

Because we are substantially ahead of schedule on the medium- to long-term environmental targets, the target was changed midterm from an 8.4% reduction compared to base year (FY2020) to a 11.2% reduction for the 2 years from FY2021 to FY2022.





<sup>2</sup> Reduction of water use

Reflecting the results for FY2021, we changed the water consumption reduction target for the end of FY2022 from 1% (38,000 m<sup>3</sup>) equivalent to the FY2020 consumption to a 2% (76,000 m<sup>3</sup>) reduction.

## Environmental Action Program (Stage 11)

Environmental Action Program (Stage 11) sets forth specific environmental targets to be achieved in the 3 years from FY2023 to FY2025. Under the theme of "resource circulation," we will launch new activities related to plastic reduction. In addition, under the theme of "living in harmony with nature," we will strive to reduce the negative impact on ecosystems by promoting activities based on the recognition that efforts to reduce environmental impact in our business activities contribute to living in harmony with nature.

### Environmental Action Program (Stage 11)

<b>Climate change</b> 	<b>Reduction of GHG emissions</b> (GHG: greenhouse gas)	Reduce CO <sub>2</sub> emissions at all business sites in Japan by 28% or more (compared to FY2020)
		Increase rate of renewable energy use by 4% or more every year
<b>Resource circulation</b> 	<b>Reducing waste</b>	Implement measures to achieve a cumulative reduction of at least 1,375 tons equivalent to 23% of the FY2020 waste emissions
	<b>Reducing water use</b>	Promote measures to reduce amount of plastic materials used and amount of waste plastic
<b>Living in harmony with nature</b> 	<b>Conservation of biodiversity</b>	Maintenance of town-owned forest in Iizuna Town, Nagano Prefecture
		Biodiversity conservation at the Kurita Sogo Center
		Biodiversity education and awareness
	<b>Reduction of negative impact on ecosystems</b>	Promotion of climate change and resource circulation initiatives
		Proper management of chemical substances
<b>Supply chain</b> 	<b>Promoting green procurement</b>	Promotion of initiatives to reduce CO <sub>2</sub> emissions upstream of the supply chain
		Strengthen awareness of water resource conservation upstream of the supply chain

Boundary: Shinko Group in Japan