EcoAction21



68th Year (July 2023 to June 2024)



Nippon Surfactant Industries Co., Ltd.

Issued January 31, 2025 (including Environmental Management Report)



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1. Business Overview

Trading Name	Nippon Surfactant Industries Co., Ltd.				
Address	Head Office 1-4-8 Nihonbashi Bakurocho, Chuo-ku, Tokyo 103-0002, 1-4-8 TEL (03) 3662-0378 FAX (03) 3664-4131				
	Utsunomiya FactoryNasu Factory7-14 Hiraidekogyodanchi, Utsunomiya, Tochigi 321-09051844 Kamiishigami, Otawara, Tochigi 324-0037TEL(028)661-6121FAX(028)663-0426TEL(0287)29-2581				
Top Management	Senior Managing Director Susumu Minowa				
Environmental Management Supervisor	Director, Deputy Manager of the Utsunomiya Factory, and Facilities Environment HQ Manager Masahiro Nakayama				
Contact Details	Chief of Environment Group 2, Safety and Environment Dept., Nasu Factory Yasuyuki Morita				
Capital	¥100 million				
Employees	Head Office 1s Utsunomiya Factory 139 Nasu Factory 52				
Site Area	Utsunomiya Factory: 38,024 m Nasu Factory: 47,197 m				
Production Quantity	Utsunomiya Factory: 8,385t Nasu Factory: 3,398t (July 2022 to June 2023)				
Business	Manufacturing of surfactants, high-quality fatty acid esters, vitamin derivatives				
History	Utsunomiya Factory: 8,385t Nasu Factory: 3,398t (July 2022 to June 2023) Manufacturing of surfactants, high-quality fatty acid esters, vitamin derivatives 1956 Nippon Surfactant Industries Co., Ltd. established and new factory constructed in Tokyo's trabashi Ward 1962 Successfully synthesized oil-soluble vitamin B6 derivative, patent approved in six countries. as with the B6 derivative 1963 Successfully synthesized pantothenic acid derivative, patent approved in Japan and the U.S. 1964 Successfully synthesized pantothenic acid derivative, patent approved in Japan and the U.S. 1964 Utsunomiya Factory licensed for the manufacture of pharmaceuticals 1970 Nikkol Technical Center established on the site of the former factory in Itabashi 1972 Entered into a technical assistance agreement with Bayer AG (of Germany), commenced production of dyeing aids 1983 New emulsification technology shared with Bayer AG (Germany) 1984 Sucsmos" general research center established by Nikko Chemicals Co., Ltd., Nippon Surfactant Revolution campaign (5S activities) commenced 1984 Sucsmos" general research center becomes independent as Cosmos Technical Center Co., Ltd. 1985 Isit factory automation (FA) completed at the Utsunomiya Factory 1986 Isit for new oil-soluble vitamin C derivative <t< td=""></t<>				

2. Organizations and Activities Covered

All Nippon Surfactant Industries organizations and activities are in the scope for certification and registration. As of the 2019 year, the Nasu Factory (which previously implemented EMS based on ISO 14001) has been added to the scope of EcoAction 21.

2.1 Implementation Structure

(1) EcoAction 21 Organization



(2) Roles / Responsibilities / Authority

Implementation Structure	Responsibilities
Representative (Senior Managing Director)	 To identify and clearly set out issues to be addressed and opportunities in management To appoint the Environmental Management Supervisor. To define the Environmental Management Policy To provide the requisite staff, technology, and funds for implementation To approve the documents and records needed for the environmental management system To perform assessment and review of the overall environmental management system
Environmental Management Committee	 The Environmental Management Committee is comprised of the managers of all departments. The Environmental Management Supervisor shall hold a meeting of the Environmental Management Committee once every three months. To set goals for environmental management system maintenance and improvement, and check progress management. To proceed with activities as an executive committee for initiatives For the goals specified for the department manager's own department among the ESG goals set and allocated to each department by the Management Supervisor, each department manager shall enter a comment in the results table of each Q for the relevant year stored in the Environmental Management Committee's folder for the relevant Q action items, results, and achievement status.
Environmental Management Supervisor	 To proceed with activities as an executive supervisor for environmental management system initiatives To be a leader for self-checks for environmental load and initiatives To create environmental management goals and environmental management plans, and to obtain the approval of the Representative (Senior Managing Director). To check and assess the status of achievement of environmental management plans, and report to the representative To check the latest summary of environment-related laws and other rules, and check compliance status To manage documents and records To report information for overall assessment and review by the representative
EcoAction 21 Secretariat	To support the work of the Environmental Management Supervisor
	environmental management system initiatives
Department Manager (Dept. Manager or Assistant Manager)	 To create an implementation plan for the relevant department, keep track of the implementation status and degree of completion, and report to the Management Supervisor To be a leader for education and training in the relevant department
Chief	 If there are two or more groups in a department, to create an implementation plan for each group, identify the implementation status and completion status, and report to the Department Manager To be a leader for education and training in the relevant group
Employees, contract employees, dispatch employees, employees from partner companies, and all other employees who are stakeholders	 To undertake and implement activity plans To autonomously and proactively implement system-defined rules and initiatives

3. Environmental Management Policy

Environmental Management Policy

Environmental Philosophy

All employees shall decide upon and act within a framework for business activities that aims to leave future generations a better global environment, and shall strive to reduce environmental impact.

Environmental Policy

Our nonionic surfactants and other chemical products are indispensable for society and are supplied to manufacturers of cosmetics, pharmaceuticals and other such products that greatly contribute to society through their performance, quality, price and dependability.

Our business uses a huge amount of electricity and other energy as well as materials and resources in a series of processes from chemical production and distribution to disposal.

Keeping that in mind, we undertake the environmental management activities described below and aim to supply products that are safe for the environment as we go about continuously improving our environmental management.

- 1. We ensure we have an accurate understanding of the impact we have on the environment through our consumption of raw materials, energy, and other such resources in our business activities, the industrial waste we produce, and our other actions, and we work continuously to ensure efficiency in our activities with the aim of reducing our environmental load and making our business sustainable.
- 2. We observe environment-related laws and ordinances as well as the requirements of agreements and other such things that we accept.
- 3. We ensure all of our employees and relevant contractors understand this policy through environmental training, daily activities and other methods.
- 4. We publish our environmental policy on our website to in order to provide it to anyone who wishes to obtain it.

Based on the environmental policy described above, we have established an environmental preservation steering group and put in place an internal auditing system, and shall work to maintain and improve our environmental management system through self-directed management in order to take a proactive approach in our initiatives.

August 27, 2024 Nippon Surfactant Industries Co., Ltd. Senior Managing Director Susumu Minowa

4. Environmental Management Goals

68th to 70th year

Medium Term Environmental Management Goals

ApprovedCreated2024.7.22024.7.2NakayamaMorita

For product production quantity, intensity for the metrics below is to be reduced by 1% compared to the 67th year.

Metric	Unit	Factory	67th Year Results (Reference) (July 2022 - June 2023)	68th Year (July 2023 to June 2024)	69th Year (July 2024 to June 2025)	70th Year (July 2025 to June 2028)
Reduction Goal			—	1%	2%	3%
Amount of purchased electricity	MJ/t	Utsunomiya	6,067	6,006	5,946	5,885
		Nasu	6,123	6,062	6,001	5,939
Amount of fossil fuels	N A 1 /4	Utsunomiya	6,620	6,554	6,488	6,421
used	IVIJ/L	Nasu	5,145	5,094	5,042	4,991
	CO2-t/t	Utsunomiya	0.621	0.615	0.609	0.602
CO2 generated.		Nasu	0.640	0.634	0.627	0.621
Water usage	t/t	Utsunomiya	9.27	9.18	9.08	8.99
water usage		Nasu	18.87	18.68	18.49	18.30
Amount of industrial waste	t/t	Utsunomiya	0.204	0.202	0.200	0.198
handled by contractors		Nasu	0.283	0.280	0.277	0.275
Chemical maintenance management	_	_	_	Chemical usage volume tracked and managed		
Regular measurements in business activities	_	_	_	Yes		
Continue green purchasing	_	_	_	Continue to include jointly purchased office equipment in green purchasing		

*The carbon dioxide emission coefficient for purchased electricity is the post-adjustment emission coefficient of 0.455 as published by TEPCO Energy Partner in 2020.

5. Environmental Management Plan (68th to 70th Year)

Metric	Overseen by	Details of Initiatives
Electricity	Reduction of excessive use of electricity by installation of aeration tank DO automatic adjustment	
-	Dept.	mechanism.
		Manage operating time for Helios dehydrator through MLSS values
	Production Dept. 1	Reduction in operating time through process improvement
		Introduction of energy-saving devices
	Production Dept. 2	Reduction in operating time through process improvement
		50% reduction of 5D occurrence
		Introduction of energy-saving devices
		Reevaluation of full-day air conditioning operation
	Production Dept. 3	Reduction in operating time through process improvement
		Introduction of energy-saving devices
	Facilities Management Dept.	Reduction in purchased electricity through operation of gas electricity generators
		Reduction through reevaluation of air conditioning, heating, circulation pump operation and upgrading
		to energy saving equipment
		Switch to LED when replacing lighting equipment, investigate examples from other companies and
	Draduction Management	Application to other aleas
Fossil fuels	Production Dept 1	Reduction in double nine beating time
1 03311 10613	1 Toddetion Dept. 1	Replacement of energy-saving trans
		Reduction in steam usage through improvement in one-shot rate
	Production Dept 2	Quick detection of leaks, repair and replacing of trans through tran and value inspections
	rioddellon Depl. 2	Reduction to steam usage through shortening of the process
		50% reduction of 5D occurrence
		Investigation in to wasteful steam use, and improvement
		Reduction in double pipe heating time
		Reduction in steam usage through improvement in one-shot rate
	Production Dept. 3	Quick detection of leaks, repair and replacing of traps through trap and valve inspections
	· · · · · · · · · · · · · · · · · · ·	Reduction in steam usage through improvement in one-shot rate
	Facilities Management Dept.	Inspection of leaks in header valves, and swift handling
	0 1	Reevaluation of steam traps and heat retention in each building, and rollout of improvements
	Production Management	Thorough elimination of idling
	Dept.	Maintain number of battery operated forklifts during upgrade
Water	Production Dept. 1	Reduction in leaks and dripping through pipework improvements
		Thorough daily management of water consumption
	Production Dept. 2	Reduction in dripping of circulating cooling water
		Reduction of ejector make-up water
		Revision of cleaning methods
		Reduction through vacuum pump tests
		Reduction in leaks and dripping through pipework improvements
		Thorough daily management of water consumption
	Production Dept. 3	Reduction of ejector make-up water
		Revision of cleaning methods
	Facilities Management Dept.	Inspection of leaks in main pipes and devices, and swift handling (cleaning and replacement)
		Review of cooling system makeup water and circulation
Industrial	Safety and Environment	Reduction of excess sludge generation through microorganism balance changes with bio-amp
waste	Dept.	Prevention of sludge dewatering ratio decrease through proper maintenance and management of
	Draduatian Dant 4	sludge dewatering machinery
	Production Dept. 1	Reduction in sodium suitate water drum recovery volume
		Reduction in waste DG and distillation pitch
	Braduction Dont 2	Reduction in distillation site and classing water
	Floddclion Dept. 2	Evamination of use of auxiliany agents, activated earbon, and kaolin
		Examination of use of auxiliarly agents, activated carbon, and kaolin
		Peduction in the solvent recycling and disposal methods
	Production Dept 3	Reduction in waster solvent
	rioddellon Dept. o	Investigation into solvent recycling and disposal methods
		Investigation into solvent recycling and disposal methods
Copier paper	General Affairs Dept	Reduction in paper used for copying through measures including paperless working with PDFs and
	Production Management	other formats, double-sided copying, and use of recycled paper
	Dept.	
	Quality Assurance Dept	
Chemical	Safety and Environment	Reliably identify matters concerning PRTR law and report them (June)
maintenance	Dept.	
management		Ensure reporting of the volume of Class I Specified Chemical Substances used (to government), and
		volume of relevant surfactant distribution within Japan (Japan Surfactant Industry Association)
	Technology Dept.	Investigate alternatives to PRTR substances and verify the technology, quality, and cost situation
1		while investigating new products and process changes.
1	Production Management	Ensure that chemical substances are used as and stored as per the rules
	Dept.	
	Technology Dept.	
	Production Dept. (all)	
	Quality Assurance Dept.	
Regular	Safety and Environment	Regular measurement of discharged water (once per month)
measurement	Dept.	Regular measurement of discharged water continuously lower than limit in regulations
	Facilities Management Dept.	Regular measurement of soot and smoke generating facilities (twice per year)
Green	General Affairs Dept.	Continue to include jointly purchased office equipment in green purchasing
Purchasing		

6. Environmental Management Goals Record and Assessment

(1) Utsunomiya Factory

Metric/Goal	68th Year Results	Appraisal of Initiative Status	Appraisal of Achievement Status	Initiatives in the Next Fiscal Year
Amount of purchased electricity 1% reduction in intensity compared to the 67th year 6,006 (MJ/t)	6,344(MJ/t) + 338 (+ 5.62%) Total Amount 50,473,384 MJ	Undertook process improvement, 50% 5D reduction, introduction of energy saving devices, introduction of LED lighting, DO automatic adjustment, etc.	Production volume was -5.12% compared to the reference year, whereas the amount of purchased electricity was +0.21%. The intensity comparison was +5.62%. Overall, this could be the impact of the composition of the products produced. While the goal was unmet, the initiatives and activities planned by each department were largely undertaken.	Undertake detailed initiatives in a range of processes. Also keep electricity saving in mind, and take a thorough approach to it.
Amount of fossil fuels used 1% reduction in intensity compared to the 67th year 6,554 (MJ/t)	6,606(MJ/t) + 52 (+ 0.79%) Total Amount 52,556,586 MJ	Worked to reduce steam waste through things including double piping, energy-saving traps, process shortening, and improved one-shot ratio.	Production volume was -5.12% compared to the reference year, whereas usage of city gas, which makes up 99% of fossil fuel, was -5.31% against the reference value and intensity was +0.81%. An accumulation of meticulous initiatives on site, such as minimization of steam leaks and streamlining of shortened hours and other such things, can be thought to have produced results.	Continue steadily implementing meticulous initiatives on the basis of these results to build up the effect. However, given that the composition of products produced has a major influence, pay close attention to how things proceed and make improvements as necessary in order to optimize.
CO2 generated 1% reduction in intensity compared to the 67th year 0.615 (t-CO2/t)	0.426 (t-CO2/t) - 0.189 (- 30.73%) Total Amount 3,387t-CO2	Worked on decarbonization of electricity, use of photovoltaic power generation, process improvement, 50% 5D reduction, introduction of energy saving devices, introduction of LED lighting, DO automatic adjustment, etc.	Production volume was-5.12% compared to the reference year, whereas total carbon dioxide saw a massive reduction of -34.93%. In October 2023, we switched to the Green Basic Plan for CO2-free electricity*1. Thanks to this, our CO2 from electricity dropped to zero. The impact on carbon dioxide generated was reduction to 18% for electricity, with fossil fuels standing at 82%.	The goal was very comfortably achieved. Each department will continue to work on its initiatives, while each individual will proactively do their utmost to take action that keeps in mind our contribution to tackling global warming and climate change.
Water usage 1% reduction in intensity compared to the 67th year 9.27 (t/t)	11.20(t/t) + 2.02 (+ 22.0%) Total Amount 89,145t	Undertook process improvement, 50% 5D reduction, introduction of devices to reduce water usage, etc.	Production volume was -5.12% compared to the reference year, whereas water usage was +14.66% and +22.0% in terms of intensity. Effective use of circulating cooling tower coolant delivered a reduction in use. Meticulous initiatives, such as not wasting clean water in processes, have taken root.	In the processes, continue to undertake initiatives based on the respective means for achievement and act with water conservation in mind.
Amount of industrial waste handled by contractors 1% reduction in intensity compared to the 67th year 0.202(t/t)	0.209(t/t) + 0.007 (+ 3.47%) Total Amount 1,665t	Undertook process improvement, 50% 5D reduction, re-use of solvents, etc.	Production volume was-5.12% compared to the reference year, whereas industrial waste was -2.82%. There was a slight increase in intensity, and the goal was not reached. The yield rate depending on the products produced was likely an impact.	Continue to work daily to increase process capacity as in the past, as things depending on the production plan cannot be controlled. Also continue to take forward a range of other initiatives.
Chemical maintenance management		Thorough management was also ensured with SDS.	Storage management, usage and handling management, and other such actions were all performed properly. PRTR-based reporting and all other procedures required by government were implemented correctly.	Continue the current style of management, and make it thorough and reliable.
Regular measurements in business activities		Regular measurement was reliably implemented.	Implemented properly, no problems.	Reliably implement and manage.
Continue green purchasing		Continuing green purchasing of jointly purchased office equipment.	Continuing to include jointly purchased office equipment in green purchasing.	Continue to include jointly purchased office equipment in green purchasing going forward.

*1 The Green Basic Plan is offered by TEPCO Energy Partner, Inc.

(2) Nasu Factory

Metric/Goal	68th Year Results	Appraisal of Initiative Status	Appraisal of Achievement Status	Initiatives in the Next Fiscal Year
Amount of purchased electricity 1% reduction in intensity compared to the 67th year 6,062(MJ/t)	9,439(MJ/t) +3,377 55.71% increase Total 18,565,567 MJ	Undertook process improvement, 50% 5D reduction, introduction of energy saving devices, introduction of LED lighting, use of photovoltaic power generation, DO automatic adjustment, etc.	Production volume was -42% compared to the reference year, whereas the amount of purchased electricity was +9.87%. The intensity comparison was +55.71%. A factor behind the decrease in production is that not much aqueous solutions with high production energy efficiency was manufactured. Overall, initiatives based on a determination to achieve each planned goal are being implemented.	Monitor the electricity usage situation while keeping an eye on the status of products, and take action as necessary according to the situation. Also, continue to thoroughly implement the initiatives planned by each department and make improvements.
Amount of fossil fuels used 1% reduction in intensity compared to the 67th year 5,094(MJ/t)	6,689(MJ/t) + 1,719 (+ 34.59%) Total 13,157,532 MJ	Worked to reduce steam waste through things including double piping, energy-saving traps, process shortening, and improved one-shot ratio.	Production volume was -42% compared to the reference year, whereas usage of class A fuel oil, which accounts for 99% of fossil fuels, decreased by 22% and increased by 34.59% in terms of intensity. The factors behind the reduction in production are as set, but initiatives, particularly an accumulation of meticulous initiatives on site, such as minimization of steam leaks and streamlining of shortened hours and other such things, can be thought to have produced results.	Continue to thoroughly implement the initiatives planned by each department and make improvements. Continue to make improvements, such as making production equipment with a high heat-source load more efficient (better heat retention, condensate drainage).
CO2 generated 1% reduction in intensity compared to the 67th year 0.634(t-CO2/t)	0.606 (t-CO2/t) - 0.028 (- 4.2%) Total Amount 1,193t-CO2	Worked on decarbonization of electricity, use of photovoltaic power generation, process improvement, 50% 5D reduction, introduction of LED lighting, DO automatic adjustment, etc.	Production volume was-42% compared to the reference year, whereas total carbon dioxide saw a massive reduction of -55%. In October 2023, we switched to the Green Basic Plan for CO2-free electricity*1. Thanks to this, our CO2 from electricity dropped to zero. The impact on carbon dioxide generated was reduction to 21% for electricity, with fossil fuels standing at 79%.	The goal was very comfortably achieved. Each department will continue to work on its initiatives, while each individual will proactively do their utmost to take action that keeps in mind our contribution to tackling global warming and climate change.
Water usage 1% reduction in intensity compared to the 67th year 18.68(t/t)	27.29(t/t) + 8.6 (+ 46.01%) Total Amount 53,684t	Undertook process improvement, inspection of and swift dealing with leaks in main pipes, reevaluation of cleaning methods, etc.	Production volume was -42% compared to the reference year, whereas water usage was +15.5% and +46.01% in terms of intensity. The impact of the composition of the products was a factor behind the decrease in production. Currently, initiatives are being taken towards reducing the amount of water used. The effects of this have been seen at some factories, and initiatives toward the achievement of each department's planned goals will be continued henceforth.	Monitoring how things go, we intend to take action with the aim of making improvements. We would like to reduce influencing factors.
Amount of industrial waste handled by contractors 1% reduction in intensity compared to the 67th year 0.280(t/t)	0.466(t/t) + 0.186 (+ 66.43%) Total Amount 916t	Undertook process improvement, 50% 5D reduction, proper maintenance and management of discharge dewatering machinery, recycling of solvents, etc.	Production volume was -42% compared to the reference year, whereas the amount of industrial waste handled by contractors was -3.9% and +66.43% in terms of intensity. There is also an impact from the yield rate depending on the products produced.	Continue to work daily to increase process capacity as in the past, as things depending on the production plan cannot be controlled. Also continue to take forward a range of other initiatives.
Chemical maintenance management		Thorough management was also ensured with SDS.	Storage management, usage and handling management, and other such actions were all performed properly. PRTR-based reporting and all other procedures required by government were implemented correctly.	Continue the current style of management, and make it thorough and reliable.
Regular measurements in business activities		Regular measurement was reliably implemented.	Implemented properly, no problems.	Reliably implement and manage.

*1 The Green Basic Plan is offered by TEPCO Energy Partner, Inc.

- 6.1 Environmental goals for the next fiscal year
 - 4. As per the medium term environmental management goals in the Environmental Management Plan (68th to 70th year)
- 6.2 Environmental Management Plan for the next fiscal year
 - 5. As per the environmental management plan in the Environmental Management Plan (68th to 70th year)

7. Existence of Violations of Environmental Laws and Regulations, Litigation, etc.

There were no violations of related legal regulations as of the legal compliance check performed on July 29, 2024. Nothing has been pointed out by the relevant institutions over the course of the last three years, and nor have there been any lawsuits, complaints, or other such problems.

Status of Compliance with Main Laws

Law	Result of Appraisal
Air Pollution Control Act	Compliant
Water Pollution Prevention Act	Compliant
Noise Regulation Act	Compliant
Vibration Regulation Act	Compliant
Act on Improvement of Pollution Prevention Systems in Specified	Compliant
Factories	
Act on Waste Management and Public Cleansing	Compliant
High Pressure Gas Safety Act	Compliant
Fire Services Act	Compliant
Act on Confirmation, etc. of Release Amounts of Specific Chemical	Compliant
Substances in the Environment and Promotion of Improvements to the	
Management Thereof	
Act on the Regulation of Manufacture and Evaluation of Chemical	Compliant
Substances	
Poisonous and Deleterious Substances Control Act	Compliant
Pharmaceutical Affairs Act	Compliant
Energy Saving Law	Compliant
Law Concerning the Promotion of Measures to Cope with Global	Compliant
Warming	
Industrial Safety and Health Act	Compliant

8. Results of Overall Assessment and Review by Representative

With regards to the environmental management goals, special note is made of the fact that in the intensity evaluation, intensity for electricity used at the Utsunomiya Factory has increased and the goal was not met, and all goals were met at the Nasu Factory.

In order to ensure that there is no major influence in factors such as production volume and product mix, evaluation using production volume intensity is performed as standard. Change in energy usage due to differences in production processes for each product are expected, and effort needs to be made to break down and analyze the factors related to energy usage as far as possible, rather than simply perform evaluations using results alone.

Overall, the initiatives and improvement activities of each department can be evaluated as taking into consideration energy load reduction.

Depending on the type of products being produced, productivity may be high or low, and energy load during production my also be high or low. In consideration of an increase in production volume going forward, it is preferable to continue making efforts in terms of improvement activities in order to minimize the environmental load, and particularly the energy load, at all times for any product type.

Everyone at the company needs to work together as a team with contributing to the environment and meeting other demands of society through these environmental firmly in mind, as well as the business benefits.

Regarding legal compliance, we are committed to working in compliance with the law, using the scandals reported in the media as an example of what not to do.

For risk management to suppress major impacts from accidents, disasters, and other such events, there always needs to be a sharp and attuned approach in daily work and a heightened sensitivity to risk, and efforts must be made to ensure preparedness.

Good communication and education for all employees are essential when it comes to following the Environmental Management Policy and each and every individual to embodying it and working to reduce the environmental load while undertaking thorough risk management. So by also using 1-on-1 meetings, we intend to take forward working style reforms and increase the motivation of all employees, and thereby further develop companywide environmental management.

9. SDG Action

The SDGs are the goals that we need to achieve by 2030 in order to ensure the future of humanity on this planet

With poverty, conflict, climate change, and infectious diseases, humanity is facing more challenges than ever before. It is feared that if things continue as they are, then humanity will no longer be able to lead a stable life on Earth. With a fundamental philosophy of ensuring that no one is left behind, we will work together with a range of stakeholders that include consumers, and proactively undertake measures toward the achievement of SDGs.

Registered as a Tochigi SDGs Promotion Company

We were registered as a Tochigi SDGs Promotion Company in 2021.

"Tochigi SDGs Promotion Company" is a registration system with the aim of building momentum towards achieving the SDGs at companies and other organizations in Tochigi Prefecture, encouraging company-led initiatives towards the achievement of the SDGs, and improving corporate value while enhancing competitiveness.

To reduce the load we place on the environment and protect biodiversity, we support sustainable development goals (SDGs), and produce and offer products with consideration given to the environment.

Our priority initiatives towards achieving the SDGs are as set out below.

 Ongoing promotion of quality and environmental management system standards



Implementation of diversity management and improvement of the working environment



♦ CO2 emissions reduction



Registration Mark

Environmentally-friendly GCS+E (green, clean, sustainable, economy) strategy



- → Environmentally friendly product project
 - Proactively shifting from oil-derived raw materials to plant-derived raw materials.
 - We have deployed the GS series of products that take the global environment into consideration.
- → We use natural energy produced with solar-powered generating systems and gas cogeneration equipment, we have switched to LED lighting, and have expanded our water treatment facilities, among other measures.
- → We are working to reduce CO2 emissions through the introduction of new technology at our factories. (reduction of steam use and wastewater)



Solar-powered generating system Utsunomiya Factory



Solar-powered generating system Nasu Factory



Solar-powered generating system (Nasu Factory new warehouse)



Rechargeable electric forklift

Achievement of zero carbon emissions from electricity

- → The electricity contract* for the Utsunomiya Factory / Nasu Factory was changed to the Green Basic Plan in October 2023. By making this contract change, 100% of the electricity we use is now effectively from renewable energy. As such, our CO2 emissions from electricity are now 0, meaning we have reduced CO2 emissions by approximately 2,752 tons annually (compared to 2019).
- * The Green Basic Plan is an electricity contract that combines FIT non-fossil fuel certificates (tracked) and renewable energy-designated non-FIT non-fossil fuel certificates (with power source attribute information).



Reduction in environmental impact by switching to rubbish sacks made of biomass plastic

→ We are contributing to a reduction in greenhouse gases and conservation of fossil fuels through plant-derived plastics and other means.





 donations/volunteering, etc.
 We donate blood at Red Cross blood donation centers in Tochigi Prefecture. This undertaken at both the Utsunomiya Factory and Nasu Factory.

Community contribution activities through

- Through Plan International Japan, we work toward the achievement of a society free of poverty and discrimination.
 Plan International
- We provide support to people suffering from poverty and hunger around the world by delivering relief supplies through our support for the Kyucansho Project run by Pan Akimoto Co., Ltd. Kyucancho Project
 - → As a regular action toward environmental beautification, we participate in plastic waste reduction activities in Tochigi Prefecture. (Once per month)



Blood donation



Tochigi plastic waste reduction activities (Utsunomiya Factory)



-socies

Letter of gratitude from the Kyucansho Project



Tochigi plastic waste reduction activities (Nasu Factory)



Promotion of diversity management

- We work to ensure 1-on-1engagement and on improving work-life balance.
- → Through dialog-based communication, we maintain a positive and fulfilled mental state.
- → We utilize a diversity of human resources (women, persons from overseas, disabled people, elderly people), and work to put in place an environment to enable them to fulfill their potential.
- Our parking areas offer spaces for people who have trouble walking and need extra space, such as persons with disabilities, elderly persons, pregnant women, and injured persons.



Parking area on Nasu Factory grounds (new warehouse)



Parking area on Utsunomiya Factory grounds



Health management

- We work to achieve organizational invigoration through productivity improvement and other means by investing in the health of our employees.
 - We recommend a full health check every year (to employees aged 40 and over).
 - · For some employees, we offer in-house influenza vaccinations paid for by the company.
 - To prevent health problems caused by overworking, we have two "no overtime" days per month.
 - We undertake comprehensive mental health care through our proactive utilization of the statutory stress check system and through the establishment of a counseling system that uses an external professional organization.

- Registration of a General Employer Action Plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children and the Act on the Promotion of Female Participation and Career Advancement in the Workplace
- Based on the Act on Advancement of Measures to Support Raising Next-Generation Children, we have put together an published a General Employer Action Plan with regards to employees' work and child raising. (Utsunomiya Factory / Nasu Factory)

Work and Child Raising Support Program (Ministry of Health, Labour and Welfare)

Kirari Award received

The Kirari Award is an award given by the city of Utsunomiya to businesses who promote joint male and female participation in the workforce and take a proactive approach to creating accommodating working environments that enable people to reach their full potential regardless of gender. Nippon Surfactant was presented with this award in 2023.



Representatives of recipient companies



Major Sato and President Ukaji



5S Activities ('sort', 'set in order', 'shine', 'standardize', and 'sustain')

Through our 5S activities, we work to increase guality, ensure safety, and eliminate unreasonableness, wastefulness, and inconsistency.

5S circle activities follow a half-yearly implementation plan in which the 5S are tackled at a companywide level, and top management performs a 5S inspection each month to ensure a clean workplace.

- By undertaking 5S activities to ensure a workplace in which everything is sorted and set in order, we work to improve work efficiency, prevent deterioration of equipment functionality, and improve safety.
- We have new employees gain experience of 5Sactivities to ensure they are handed down.

Improvement proposal activities

We streamline our work through improvements to build and maintain a lean and powerful organization while bringing profit to the company. We also work to increase motivation through an award system.

- International certification **RSPO** certification obtained:
 - We develop products that do not depend on depleted raw materials. (palm oil, coconut oil, etc.) EFfCI GMP certification obtained:

We have constructed an advanced quality management system. (Utsunomiya Factory)







With the aim of helping to achieve a circular economy for resources, we attempt to ensure the ongoing efficient use of resources while keeping in mind the 3R's of reduce, reuse, and recycle, as well as the +3R's of rethink, refuse, and refine.



Reducing

- Reduction in waste from filters in the manufacturing process → Reduction in waste
- Switch from ejectors to vacuum pumps \rightarrow Reduction in water use

Reusing

- We reuse scrap drums and chemical drums.
- We reuse flexible container bags that contained raw materials.
- Organic solvents discharged from factories → recovered with tanker lorries → distilled and reused (waste heat: thermal recycling, combustion residue: material recycling)

Recycling

- Waste plastic bags that contained raw materials → recycled as auxiliary fuel, solid fuel(RPF), or fluff fuel to provide an alternative to coal, coke, or other fossil fuel, and this is used in industry by companies such as paper companies, steel companies, and limestone companies.
- Sludge discharged from wastewater treatment → fermented and reused as organic fertilizer (compost)
- Wooden pallets that carried raw materials → recycled as raw materials for paper chips and boards
- We proactively seek to conclude agreements with good industrial waste handlers and contractors with a high recycling rate. (Incineration residue after treatment \rightarrow Reuse as construction materials, etc.)

We work to make effective use of recycled pallets.

We have introduced OBP (ocean bound plastic) pallets, which are made from recycled plastic waste that had a high risk of ending up in oceans, to help reduce CO2 emissions.





Print the Plastics Smart logo promoted by the Ministry of the Environment

Palm oil mill waste is reused for labels, reducing the amount of waste incinerated and contributing to a reduction in CO2 emissions.

As part of our activities to reduce our environmental load, the Nasu Factory uses labels made from palm husks, which as byproducts of palm oil extraction that would otherwise be incinerated, as in-house labels (FSC certified)



A palm tree field that provides raw materials

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10. Industrial Safety and Health Initiatives

Industrial Safety and Health Activity Policy

In order to continuously reduce the various health and safety risks inherent in our business activities and to ensure that all employees can work safely, healthily and comfortably, we prioritize the following in our activities.

- 1. We comply with laws, ordinances, agreements, and all other requirements related to health and safety.
- 2. We respect human rights and do not discriminate on the basis of human rights, nationality, gender, age, religion, or any other attributes, and provide fair opportunities to all employees.
- 3. Health and safety committee members will point out safety issues and make improvements on the basis of weekly workplace inspections.
- 4. Each employee will act on the basis of an ability to foresee safety and health hazards.
- 5. We will accurately assess the nature and scale of risks related to health and safety and work to reduce the level of risk.
- 6. We will continue to work with shorter hours as a Tochigi Prefecture best practice company, and work to bring further evolution.

Received the Director's Award from the Japan Association for Safety of Hazardous Materials

→ On June 28, 2022, we held a firefighting drill in the hazardous materials facilities at the Utsunomiya Factory.

After this, we received the Director's Award from the Japan Association for Safety of Hazardous Materials as an excellent hazardous materials-related factory.











Firefighting drill

Received Award for Excellence in the Safety Labelling and HR Development Contest

For increased safety awareness. Received Award for Excellence in the Safety Labelling and HR Development Contest held by MAX Co., Ltd.

In 2024, a piece called "Better Safety Awareness Through Stereoscopic Illusion" by Sachiko Tashiro of the Environment Group 1 in Safety and Environment Dept. won the Award for Excellence.

→ FY2024 Award for Excellence "Better Safety Awareness Through Stereoscopic Illusion"





→ FY2023 Award for Excellence QR Code Management of Spares Room



Factory Manager Minowa and Chief

Sakamoto

Senior and Managing President Director Ujaki Murata



11. Supply Chain Management

Green Purchasing

Nippon Surfactant sees conservation of the global environment as the biggest issue to be tackled, and always seeks environmentally-friendly raw materials to contribute to sustainability in the development and manufacturing of its products. By increasing the scope of use of sustainable raw materials and purchasing more such materials, we will contribute to invigoration of the global supply chain as a whole.

- 1. We are proactively switching from finite fossil fuels to sustainable plant-based raw materials.
- 2. For safe and stable procurement, we conduct strict quality inspections and procure compliant raw materials from both domestic and overseas sources.
- 3. We support RSPO activities and in consideration of the environment, we purchase resources and work to ensure biodiversity in our business activities.
- 4. We use as much clean energy as possible in our manufacturing.

12. CSR Action

→ We undertake CSR (Corporate Social Responsibility) initiatives, through which we take responsibility for the impact that our business activities have on society and the environment.

The CSR Approach of Nippon Surfactant Industries Co., Ltd.

→ As a member of the Nikkol Group, Nippon Surfactant sees the global environment as the greatest issue that it faces, and we will continue to nurture creativity based on our basic philosophy and contribute to the lasting development of society by realizing our corporate vision.





