

Information Disclosures Based on the TCFD Recommendations

JSP Corporation is pleased to announce that we have now disclosed information based on the recommendations of TCFD (Task Force on Climate-related Financial Disclosures), following our statement of support for the TCFD recommendations on December 13, 2021.

JSP Corporation sees climate change-related events as a business risk and aims to respond to them while identifying new opportunities to enhance corporate value. In addition, we view the TCFD recommendations as an effective framework for organically and practically promoting activities to realize a sustainable society and will use the TCFD as a tool for dialogue with various stakeholders.

By addressing climate change, we aim to increase social and economic value and realize the corporate philosophy of "Creatively and Actively Contribute to Society" as a true global supplier.

For details, please refer to the attached sheets.

In addition, the latest information based on the TCFD recommendations will be posted on our website (https://www.co-jsp.co.jp/sustainability/e/e_tcfid.html). Please refer to [this page](#) as well.

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Information Disclosures Based on the TCFD Recommendations

JSP declared to support the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in December 2021. JSP sees climate change-related events as a business risk and aims to respond to them while identifying new opportunities to enhance corporate value.

In addition, JSP views the TCFD recommendations as an effective framework for organically and practically promoting activities to realize a sustainable society and will use the TCFD as a tool for dialogue with various stakeholders.

By addressing climate change, JSP aims to increase social and economic value and realize the corporate philosophy of “Creatively and Actively Contribute to Society” as a true global supplier.



Governance and Risk Management

- JSP's response to climate change will be based on the Company-wide Sustainability Promotion Structure
- Board of Directors, chaired by the President, is responsible for governance and oversees the impact of climate-related issues on management activities
- Executive Officers Meeting is responsible for managing climate-related risks, carrying out reviews and making decisions on responses.
- In order to consider specific measures on climate change in the Executive Officers Meeting, information on global trends and requests is collected and the situation and risks are analyzed on a cross-functional basis through both sustainability promotion activities and Responsible Care activities
- Sustainability Promotion Committee, an advisory body to Executive Officers Meeting, is convened to discuss policies and measures to be taken on particularly important issues
- Sustainability Promotion Department, established in April 2021, serves as the organizer of the Sustainability Promotion Committee and ensures that company-wide sustainability promotion activities including response to climate change function effectively.
- Entire Company refers to business divisions, corporate divisions, plants, research centers, group companies, etc., which implement sustainability promotion activities

◆ Company-wide Sustainability Promotion Structure



- Specific issues related to reduction of energy consumption and greenhouse gas (GHG) emission are discussed at Responsible Care Meeting, Energy Conservation Promotion Managers Meeting, and Environment Safety Promotion Meeting. Through the establishment of these various meetings, we have set up a system to manage and share essential information on energy and GHG emission reductions



Strategies

1 Contribute to climate change mitigation by further promoting environmentally friendly products

All foamed plastics are resource-saving materials and are “environmentally friendly products” that contribute to reducing environmental impact by reducing CO₂ emissions. Among them, we will contribute to climate change mitigation by positioning products that can make a significant contribution to climate change, national land resilience, and disaster recovery as “climate change-responsive products” and focusing on their widespread use.



Introduction of climate change-responsive products

MIRAFOAM A is a high-performance, next-generation thermal insulation material developed by JSP using its accumulated plastic foaming technologies. By adding special technology to MIRAFOAM, JSP has succeeded in further improving its thermal insulation performance, which was previously considered a limitation of extruded polystyrene foam, achieving a thermal conductivity of 0.022 W/m-K. With the promotion of higher thermal insulation houses, expectations are high for this revolutionary heat insulation material to make a significant contribution to reducing GHG emissions.

2 Contribute to the recycling of plastic resources by promoting recycling activities



Introduction of Products that Contribute to the Recycling of Plastic Resources

ARPRO RE, expanded polypropylene made from recycled polypropylene, has been adopted in the market. We have further expanded our recycling activities by developing ARPRO RE OCEAN, a product made from recycled raw materials such as fishing nets and other marine waste, thereby contributing to the reduction of CO₂ emissions and the reuse of marine waste. We have also developed ARPRO REvolution, a product that uses almost 100% recycled raw materials.

3 Contribute to climate change mitigation by reducing GHG emissions and using energy more efficiently



Scenario Analysis for Strategy Development

Assumptions for Scenario Analysis

- Target Year: FY2030
- Target Entity: JSP Corporation (Non-consolidated)
- Scenario:* Scenario in which global average temperature increase is limited to 1.5°C above pre-industrial levels and scenario in which global average temperature increase is 4°C above pre-industrial levels

* Scenario analysis was conducted using SSP-1 (sustainable) and SSP-3 (regional fragmentation) from the "Japanese SSP" published by the National Institute for Environmental Studies based on the "Shared Socio-Economic Pathways (SSP)" published by the Intergovernmental Panel on Climate Change (IPCC).

- Evaluate the impact of risks and opportunities on the entire business portfolio and develop response strategies

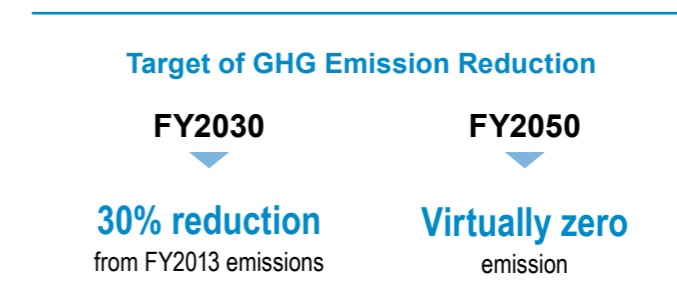
Risks, Opportunities and Key Responses Related to Climate Change

	Risks	Key Responses
Transition Risks & Opportunities (1.5°C Scenario)	<ul style="list-style-type: none"> • Tightening of regulations on GHG emission reductions • Raw material price volatility • General consumers' awareness of plastic-free products • Introduction of carbon tax <p>Opportunities</p> <ul style="list-style-type: none"> • Market expansion of environmentally friendly products • Market expansion of resource-recycling products 	<ul style="list-style-type: none"> • Contributing to climate change mitigation by reducing CO₂ emissions and using energy efficiently • Contributing to the recycling of plastic resources by promoting recycling activities • Development and promotion of environmentally friendly products by taking advantage of highly creative technological development capabilities
Physical Risks & Opportunities (4°C Scenario)	<ul style="list-style-type: none"> • Disruption to operations of business sites (plants, offices, and sales offices) due to severe weather disasters • Negative impact on supply chain due to severe weather disasters <p>Opportunities</p> <ul style="list-style-type: none"> • Market expansion of products for national land resilience in Japan • Market expansion of products for disaster recovery and earthquake resistance in Japan 	<ul style="list-style-type: none"> • Develop BCPs for business locations in anticipation of climate change and prepare weather disaster countermeasures such as flood barriers • Conduct physical risk assessments of the company and its entire supply chain and consider countermeasures based on the results



Indicators and Targets

JSP has established a roadmap for GHG emission reduction to achieve carbon neutrality in FY2050. Towards the achievement of this roadmap, we will set non-consolidated JSP's GHG emissions at Scope 1 and Scope 2 as a KPI and promote various initiatives including the installation of renewable energy facilities such as solar power generation, the purchase of renewable energy, and further energy conservation activities.

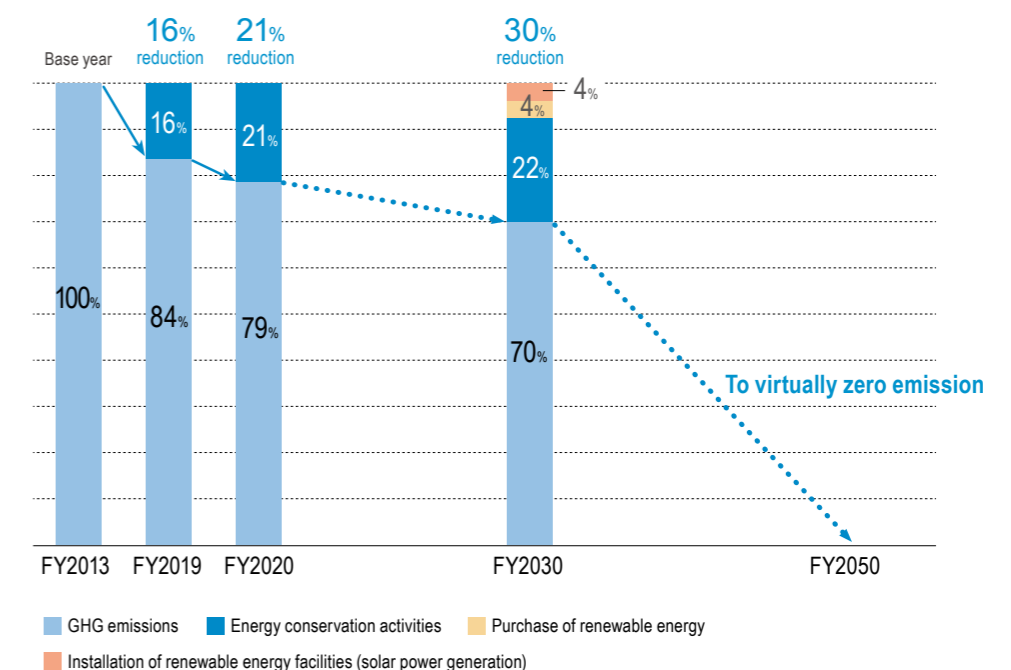


Note: The target for JSP Group will be set by the end of FY2023

Assumptions of the Roadmap

- Scope: GHG emissions of non-consolidated JSP at Scope 1 and Scope 2
- GHG reduction target: Calculated based on the Act on the Rationalization etc. of Energy Use

Roadmap for GHG emission reductions (FY2013 is taken as 100)



Note: This roadmap was prepared based on information available as of June 2022.