



JSP Sustainability Management and Materialities

December 2021

JSP Corporation

JSP has established a basic policy for sustainability to define the basic stance concerning sustainability management activities. This policy is firmly linked to JSP's corporate philosophy, "Creatively and Actively Contribute to Society".

Corporate Philosophy

"Creatively and Actively Contribute to Society"

Basic Policy for Sustainability

1. The Basic Policy for Sustainability:

Based on the corporate philosophy, "Creatively and Actively Contribute to Society," the JSP Group has a strong commitment to its corporate responsibilities concerning the environment, society and corporate governance and aims for the sustained growth of corporate value.

2. JSP will give everyone at the company an awareness and understanding of the basic policy for sustainability.
3. JSP will comply with all related laws, regulations and guidelines and constantly conduct sustainability activities by using plans and a framework encompassing the entire company.

To achieve VISION 2027 – A long-term vision, “A Global Company for Global Society”

”Medium-term business plan, ”Change for Growth” (2021-2023)

Sustainability Management



JSP announced its medium-term business plan “Change for Growth” in April 2021. This plan has two basic concepts:

1. Broaden the value we provide for both economic value to our customers and for adding social issues.
2. Fortify the management base.

JSP will conduct full-scale sustainability management activities in order to achieve its corporate philosophy, “Creatively and Actively Contribute to Society”.

Materiality Matrix

This diagram shows the relationship between the components of materiality and JSP's corporate philosophy, basic policy for sustainability, long-term vision and medium-term business plan.

Corporate Philosophy, "Creatively and Actively Contribute to Society"

Basic Policy for Sustainability

Long-term vision, "VISION 2027"

Medium-term business plan, "Change for Growth" (2021-2023) Basic concept

1. Broaden the value we provide for both economic value to our customers and for adding social issues.

2. Fortify the management base

Materiality



- The creation of shared value (CSV)
- (1) Contributions of environmentally responsible products
 - (2) Contributions from recycling plastic resources
 - (3) Contributions to fighting climate change
 - (4) Contributions involving food and healthy living
 - (5) Contributions to safety

Materiality

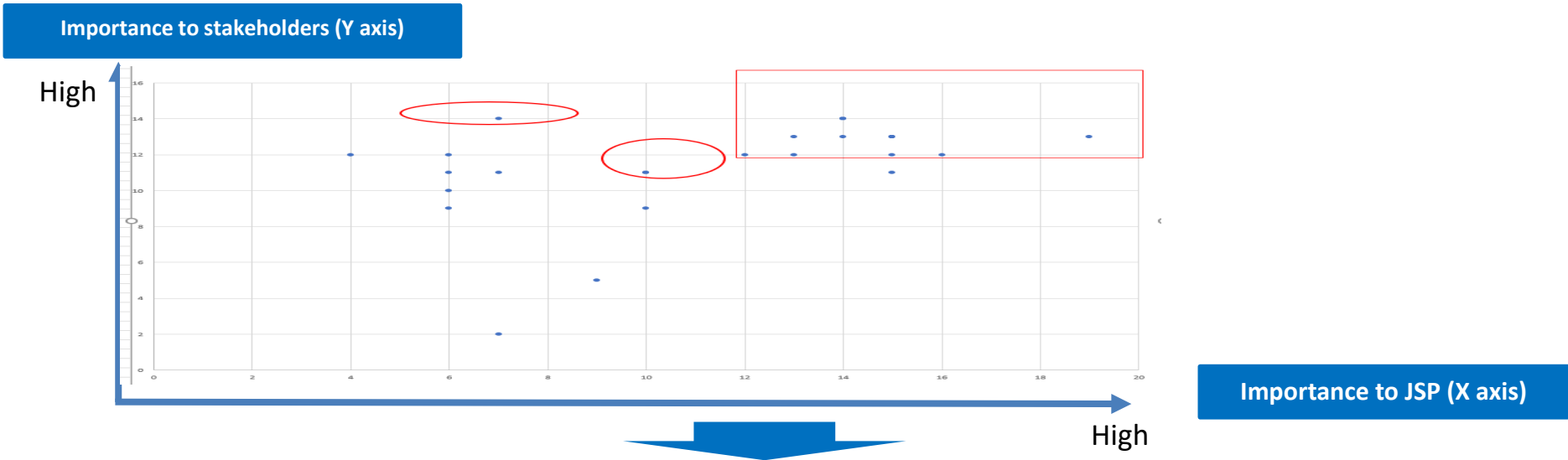


- Environment (E)
- (1) Activities for protecting the environment
- Society (S)
- (1) Improve human resources development
 - (2) Fostering the culture of a rewarding workplace
 - (3) Secure occupational safety
 - (4) Strengthen the information system foundation
- Corporate Governance (G)
- (1) Strengthen corporate governance

The Materiality Selection Process

Step 1: Identity issues and determine their importance

First, priority issues for the JSP Group based on the corporate philosophy were identified and, to include issues that are important to stakeholders, social issues were selected too. The selection of social issues used GRI standards and other international guidelines, the 17 Sustainable Development Goals, activities of other companies and other considerations. Next, the importance of each issue is assessed from the perspectives of the JSP Group and its stakeholders.



Step 2: Discussion of issues by the Executive Officers Meeting

The executive officers discuss issues of the highest importance and take into account the basic concepts of Medium-term business plan, "Change for Growth." and factors involving products. This step results in the selection of candidates for materiality.

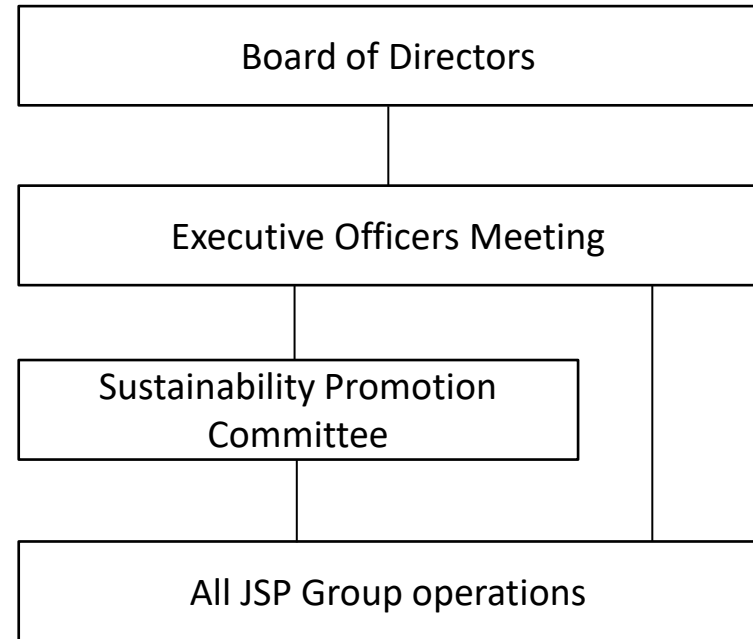
Step 3: Final decision by the management

The final decisions about materiality were made by the Board of Directors in December 2021.

The Organizational Structure Used for Sustainability Activities

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The Organizational Structure for Sustainability Activities (As of December 13, 2021)



〈 Board of Directors 〉

Board of Directors oversees sustainability management. The directors use a sustainability activity PDCA cycle for the approval of a plan for sustainability activities, receiving reports on the results of these activities and the oversight of all sustainability activities.

〈 Executive Officers Meeting 〉

Executive Officers Meeting supervises sustainability management. Executive officers use a sustainability activity PDCA cycle for confirming and reviewing progress with these activities in all areas of the company in order to ensure that activities are conducted properly.

〈 Sustainability Promotion Committee 〉

Sustainability Promotion Committee is an advisory body to the Executive Officers Meeting. Committee members examine the highly specialized projects that are vital for sustainability programs and other important matters involving these programs.

All JSP Group operations




JSP departments and group companies are responsible for conducting sustainability activities. This includes business units, corporate departments, factories, research centers, subsidiaries and other components of the JSP Group.

〈Sustainability Promotion Dept.〉

This office is the secretariat for the Sustainability Promotion Committee. In addition, this office monitors all sustainability activities and provides assistance to ensure that these programs function effectively. Confirming contributions to sustainability is another role of this office. The office submits reports to the Executive Officers Meeting about these confirmations and about feedback concerning sustainability received from stakeholders.



Activities Associated with Materialities: The Creation of Shared Value (CSV)

The creation of shared value (CSV): Materialities concerning the benefits of JSP businesses and products


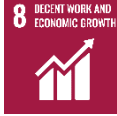

Materialities	Major activities of JSP	SDGs
(1) Contributions of environmentally responsible products	JSP uses its resin foaming technologies to create economic value as well as to contribute to solving customers' and social issues and providing other forms of social value.	
(2) Contributions to recycling plastic resources		
(3) Contributions to mitigation climate change		
(4) Contributions involving food and healthy living		
(5) Contributions to safety		

Activities Associated with Materialities: Environment/Society/Corporate Governance (ESG)

Materiality concerning the environment (E)

Materiality	Major activities of JSP	SDGs
(1) Activities for protecting the environment	The Responsible Care activities to protect the environment	 

Materialities concerning society (S)

Materialities	Major activities of JSP	SDGs
(1) Improve the human resources development	Education and training programs to upgrade the skills of all employees at the JSP Group	  
(2) Fostering the culture of a rewarding workplace	Maintenance of workplaces where employees can achieve their career goals in an environment of mutual respect for a broad spectrum of values	
(3) Secure the occupational safety	Activities to prevent workplace accidents and disasters in the course of conducting business activities and ensure the health and safety of employees and residents of areas where JSP facilities are located	
(4) Strengthen the information system foundation	The use of digital technologies to improve the efficiency of business activities	

Activities Associated with Materiality: Environment/Society/Corporate Governance (ESG)

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Materiality concerning corporate governance (G)

Materiality	Major activities of JSP	SDGs
(1) Strengthen the corporate governance	Strengthening corporate governance of the entire JSP Group with activities involving compliance, internal controls and risk management	