

Promoting sustainability management to help solve social issues, based on the cornerstones of our Corporate Philosophy and Long-Term Vision

N.E. CHEMCAT was established in April 1964 and will celebrate the 60th anniversary of its founding in 2024.

Over the past 60 years, we have successfully helped to build a sustainable, affluent society through the provision of catalysts. We have contributed to society through the development and production of catalysts used in a variety of applications including air purification by detoxifying the harmful substances contained in automobile exhaust gas, and the manufacture of pharmaceuticals, agrochemicals, fertilizers, electronic materials, and other products.

In recent years, global warming and other environmental issues have increased in severity, resulting in mounting global-scale social issues. There is a heightened awareness of sustainability among the public and corporations are also being pressured to take steps to solve those issues.

Our company has contributed to environmental conservation through the business of exhaust catalysts, precious metal recycling, and others.

Our approach to management is to "contribute to achieving a sustainable and quality global environment and affluent society through chemistry" as stated in our Corporate Philosophy.

We have also formulated Vision 2030 as our longterm goal based on this Corporate Philosophy and aim to achieve it by visualizing our ideals in the three areas of finance, business, and management infrastructure, and pursuing 16 key drivers as concrete measures.

Although the business environment surrounding our company is undergoing major changes aimed at decarbonization, including the transition to renewable energy and the shift to zero-emission vehicles (ZEV) in the automotive industry, we intend to promote sustainability management to achieve sustainable growth while continuing to respond to society's needs. We will build business models and systems that are beneficial to society by helping to solve social issues as part of our business activities, in alignment with our Corporate Philosophy and Vision 2030.

Fulfilling our role in building a sustainable society by developing new technology

We need to pursue technological development to solve social issues. Our company will continue to perform research and development on automotive exhaust catalysts that produce even higher performance to adapt to the increasingly stringent regulations on gas emissions. We will also improve technological capabilities in extraction, recovery, and refining to recycle and reuse rare precious metals, thereby helping to build a recycling-oriented society.

In addition to the initiatives described above, we are focusing on carbon neutrality as a key area of social contribution. Carbon neutrality is a global mission, with more than 150 countries and regions having declared their intention to achieve this goal and which are pursuing a range of initiatives. Recently, hydrogen and ammonia are drawing attention as new energy sources that do not emit CO₂ during use, but our company has been developing products for hydrogen use since the 1990s.

Our fuel cell catalyst technology is already being used for stationary fuel cells for residential use and we are developing technology to achieve higher power output to expand application to industrial fuel cells used in plants, stores, and other commercial facilities.

The use of hydrogen in mobility is also an important area of contribution. Many countries are considering the application of fuel cells for medium- to long-distance buses, trucks, trains, ships, and other modes of transport.

Our company is working on electrode catalysts, which are the core components of fuel cell vehicles (FCVs). We are pursuing initiatives targeted at development of next-generation catalysts and the establishment of technology to recover precious metals from used electrode catalysts.

From the perspective of the entire value chain (manufacturing, storage and transport, and usage), areas of application for the technologies we possess include manufacturing and effective usage of ammonia as an energy source, aftertreatment of exhaust gas emitted through combustion, and other technologies, in addition to the use of catalysts in the manufacture and transport of hydrogen.

In addition to hydrogen and ammonia, carbon capture and utilization (CCU) is another area where we can make full use of the knowledge we have accumulated. This is accomplished by various means such as direct air capture (DAC) of CO₂ from the atmosphere, methanation, which is a process of producing methane from CO₂, and e-fuel synthesis.

As I have described, there are wide range of technological areas where we can contribute. I take pride in the fact that demonstrating such capabilities to help solve social issues is a mission of our company and we will continue to pursue technological innovation to achieve carbon neutrality.

Developing human resources willing to take on challenges

People are the driving force behind promoting sustainability management and supporting initiatives aimed at solving social issues. Fostering a spirit of challenge is important in order to pursue new innovation in the future.

We are therefore continuing to build a culture and system capable of drawing out the potential of each employee and establish an environment that encourages each employee to take on challenges by supporting participation in new businesses and different projects, and other means.

I aim to engage in open innovation even more actively

than in the past, and work to build a sustainable society and develop new technologies as we cooperate with our stakeholders.

N.E. CHEMCAT has sincerely worked with society in operating its business since the company was founded. We will continue to promote sustainability management as a company that continues to be needed and trusted by society, as we think about how we can help to solve social issues from now into the future.

I would like to ask you, our stakeholders, for your continued support and cooperation.

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