

1 Nitto Denko Corporation

| | Companies' approach |
|---|---|
| □ Background and purpose of accounting | <ul style="list-style-type: none"> Nitto, which has long been taking action to reduce Scopes 1 and 2 CO₂ emissions, is also working hard with its customers and suppliers to minimize its environmental footprint throughout its supply chain. To promote these activities effectively, we need to obtain data on CO₂ emissions from across the supply chain. |
| □ Utilization of accounting results | <p>The accounting results are:</p> <ul style="list-style-type: none"> disclosed appropriately to the public; used to clarify what we need to focus on in our activities to reduce supply chain emissions and calculate the effects of the activities; and utilized to enhance communication with our customers and suppliers. |
| □ Benefits of accounting | <p>The accounting enables us to:</p> <ul style="list-style-type: none"> plan and implement effective reduction measures; and promote ongoing activities. |
| □ Internal system for accounting | <ul style="list-style-type: none"> The environmental department of each Group company gathers necessary basic data (amount of activity, etc.). The corporate environmental division, which plays the role of secretariat, compiles and calculates the data. |

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| | Companies' approach |
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| □ Efforts to reduce supply chain emissions | <p>We are taking a multifaceted approach which includes the following activities:</p> <ul style="list-style-type: none"> • Purchase of low-carbon products based on the Green Purchasing Guidelines • Development and production of products with low environmental impact • Increase in the efficiency of transportation • Reuse of raw materials and solvents • Introduction of more efficient working styles (business travel, commuting) based on the use of information and other advanced technologies |
| □ Issues in supply chain emissions accounting | <ul style="list-style-type: none"> • Many of Nitto's products are intermediate materials used in a wide variety of end products, such as automobiles, displays, housing, and electronic components. Furthermore, the proportion of our product weight to the total weight of each end product is extremely small, and processing of our products carried out at customers' sites is normally limited to pasting and other simple processes with relatively low environmental impact. These facts make it difficult to calculate CO₂ emissions during processing and use of our products sold. • Our procurement and production activities are conducted globally in cooperation with our roughly 100 Group companies, while 60 percent of our sales come from overseas, making it difficult to accurately determine the amount of activity and emissions unit value of each region. |
| □ Other | |

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| Category | Accounting methods | |
|---|--|--|
| | Activity data | Emission factor |
| Category 1: Purchased goods and services | ● Volume of raw materials procured | ● Ministry of the Environment database*1, CFP-DB*2 |
| Category 2: Capital goods | ● Amount of capital investment | ● Ministry of the Environment database*1 |
| Category 3: Fuel and energy related activities not included in Scope 1 or 2 | ● Consumption of fuel and energy purchased | ● Ministry of the Environment database*1, CFP-DB*2 |
| Category 4: Transportation and delivery (upstream) | ● Ton-kilometers transported by Nitto as a specified consigner, calculated under the Act on the Rational Use of Energy | ● Energy Conservation for Consigners Edition 3 |
| Category 5: Waste generated in operations | ● Amount of waste disposed of by type | ● Ministry of the Environment database*1 |
| Category 6: Business travel | ● Total number of employees | ● Ministry of the Environment database*1 |
| Category 7: Employee commuting | ● Number of employees in each location | ● Ministry of the Environment database*1 |
| Category 8: Leased assets (upstream) | ● Accounted for in Scopes 1 and 2 | |
| Category 9: Transportation and delivery (downstream) | ● Emissions are very small and therefore included in Category 4. | |
| Category 10: Processing of sold products | ● Not calculated (because our products are intermediate materials) | |
| Category 11: Use of sold products | ● Not calculated (because our products are intermediate materials) | |
| Category 12: End-of-life treatment of sold products | ● Weight shipped | ● Ministry of the Environment database*1 |
| Category 13: Leased assets (downstream) | ● N/A (no leased assets) | |
| Category 14: Franchises | ● N/A (no franchises) | |
| Category 15: Investments | ● N/A (We are not investors or financial service providers.) | |
| Other | ● N/A | |

*1 Emission Factor Database on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (Ver. 2.4)

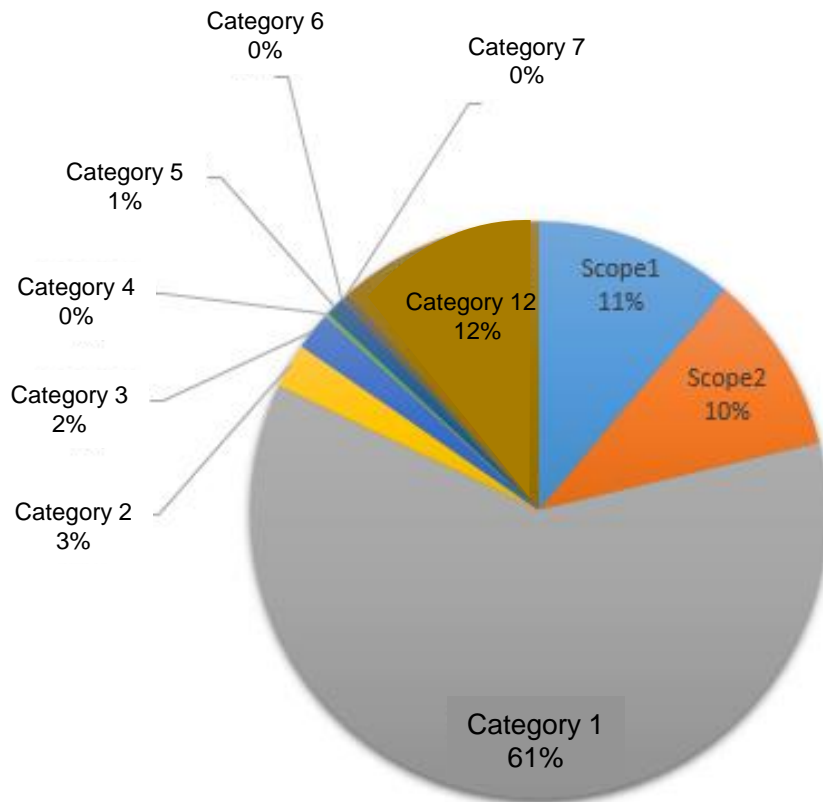
*2 CFP Communication Program Basic Database ver. 1.01

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Accounting results

● Supply chain emissions



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|-------------|---|-------|
| Scope 1 | | 11.2% |
| Scope 2 | | 10.1% |
| Scope 3 | | 78.8% |
| Category 1 | Purchased goods and services | 60.8% |
| Category 2 | Capital goods | 2.5% |
| Category 3 | Fuel and energy related activities not included in Scope 1 or 2 | 2.1% |
| Category 4 | Transportation and delivery (upstream) | 0.3% |
| Category 5 | Waste generated in operations | 1.1% |
| Category 6 | Business travel | 0.1% |
| Category 7 | Employee commuting | 0.4% |
| Category 8 | Leased assets (upstream) | - |
| Category 9 | Transportation and delivery (downstream) | - |
| Category 10 | Processing of sold products | - |
| Category 11 | Use of sold products | - |
| Category 12 | End-of-life treatment of sold products | 11.5% |
| Category 13 | Leased assets (downstream) | - |
| Category 14 | Franchises | - |
| Category 15 | Investments | - |

*The figures shown here are the new calculation results and differ from those reported previously.