



Verification Report on the Greenhouse Gas Emissions

June 27, 2023

To:
Yasuhiko Saitoh
President
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■ Objective of the Verification

This verification is performed with regard to the greenhouse gas (GHG) emissions in Scopes 1, 2, and 3 (Categories 1 and 12) in fiscal year 2022 reported by the Shin-Etsu Group, including consolidated subsidiaries inside and outside Japan. The objective is to enable the Responsible Care Verification Center to perform the verification and express its opinions as a third party.

■ Outline of the Verification

- (1) The verification covered Scopes 1, 2, and 3 (Categories 1 and 12) and was undertaken at a limited-warrant level.
- (2) The verification was performed using ISO 14064-1: 2018 and 3: 2019 as the judging criteria and the GHG Emissions Accounting and Reporting Manual Ver. 4.9 (Ministry of the Environment and Ministry of Economy, Trade and Industry, January 2022) as a reference for the calculation.
- (3) The verification covered Shin-Etsu Chemical Co., Ltd. and its consolidated subsidiaries inside and outside Japan. Furthermore, with regard to the Takefu Plant of Shin-Etsu Chemical Co., Ltd. we conducted a detailed sampling inspection involving the verification of the accuracy, etc. of the following: the total GHG emissions and the scope of data collection related to inventories related to such emissions; the original data; the methods of data collection and calculation based on procedure manuals; and the calculated figures.

“Fiscal year 2022” refers to the period from April 1, 2022 to March 31, 2023 for companies inside Japan and the period from January 1, 2022 to December 31, 2022 for companies outside Japan.

- (4) The investigation and confirmation were performed through a question-and-answer process based on the materials presented and explained by the responsible person at the headquarters and by the responsible person and the assigned persons at the plants of Shin-Etsu Chemical Co., Ltd.

■ Results of the Verification

The results of the verification undertaken on June 7, 9, and 13, 2023, were that it was confirmed that the GHG emissions of the Shin-Etsu Group and the procedures for data handling and calculation in the Takefu Plant are appropriate, and that no serious errors were found with regard to the accuracy of the data.

■ Opinions on the Verification

The verification team has confirmed that, with regard to calculations of GHG emissions, improvements have been made so as to increase accuracy, and that efforts are underway with regard to updating the manuals and standards, as well as with reviewing the data collection and confirmation system. Due to these, the handling of GHG-related calculations has become more efficient and error-free.

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