Initiatives Aimed at Carbon Neutrality

The Shin-Etsu Group is working towards achieving carbon neutrality by 2050.
In 2026 we set new interim targets.

For more information, please see the "Climate Change: Initiatives Aimed at Carbon Neutrality" section of the Shin-Etsu Chemical Sustainability website.
https://www.shinetsu.co.jp/en/sustainability/esg_environment/initiative_cn/

President's Message

We will work to utilize renewable energy not only for decarbonization but also from the perspective of energy security.

The Shin-Etsu Group's stated goal is to become carbon neutral by reducing greenhouse gas emissions (Scope 1 and 2) to net zero by 2050.

We have worked to improve productivity and to heighten resource and energy use efficiency to the maximum degree possible. As a result, we have been able to reduce our greenhouse gas emissions in terms of production intensity—namely, the amount of greenhouse gases emitted when producing one unit of product—by approximately half compared to FY1990. Our efforts to use energy and resources with maximum care for efficiency have also contributed to improving the profitability of our Group.

At the same time, achieving carbon neutrality presents a major challenge to a material manufacturer that relies on resources and energy for production. Toward this goal, in May 2026 we set new interim targets* for achieving carbon neutrality. We will work vigorously to deliver on these interim targets.

As global energy supply and demand become increasingly unstable and geopolitical risks rise, the use of renewable energy is becoming increasingly important not only for decarbonization but also from the perspective of energy security. We will forge ahead while keeping both these objectives in mind. While increasing our use of renewable energy, we are also working on the study and evaluation of carbon capture and storage projects.

I would like to point out that we offer a number of products that contribute to reducing greenhouse gas emissions. One of the challenges today is that, as AI proliferates rapidly, power consumption by data centers is increasing sharply. Our diversified products, including silicon wafers, photoresists and silicones, contribute to solving this challenge. In addition, we are developing new materials that support the efficient use of electric power.

With profitability always in mind, we will continue to work toward achieving carbon neutrality while solving social issues through our business and enhancing corporate value at the same time.

*The details of the interim targets are shown on page 22. The greenhouse gas emission figures for FY2025 are shown on page 48.

President
Yasuhiko Saitoh