

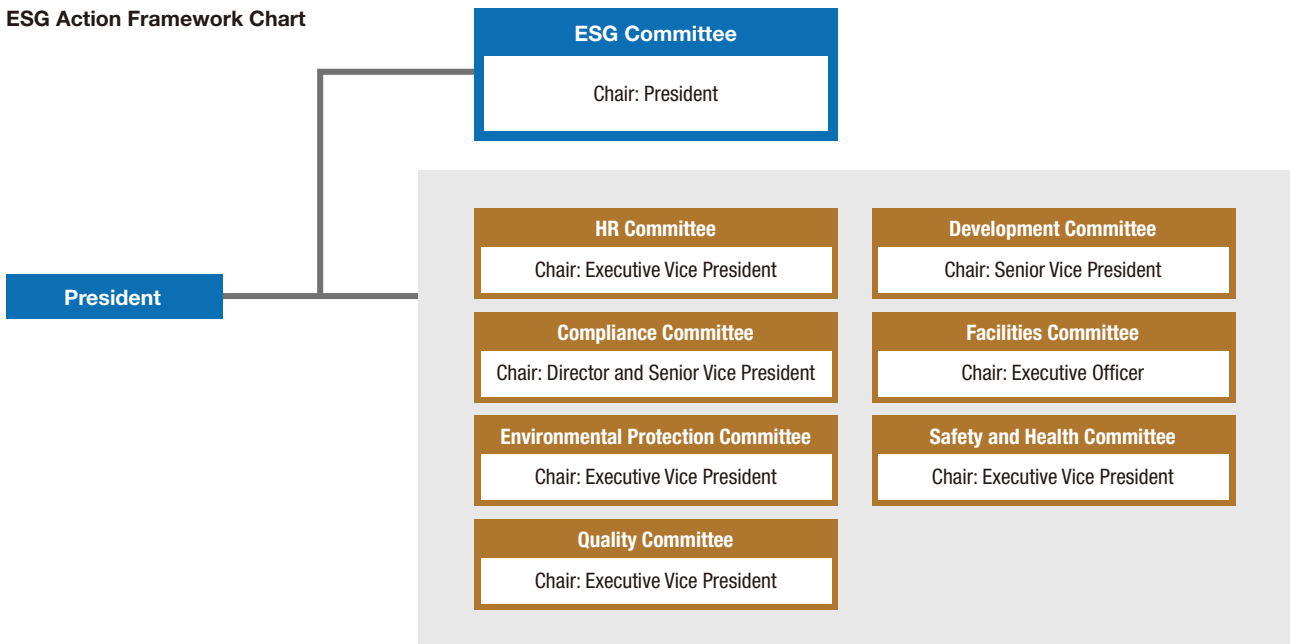
## ESG Management

To help realize the Sustainable Development Goals (SDGs) adopted by the United Nations, the NGK Group seeks to provide new value to society with our unique technology, thus contributing to the realization of a sustainable world and winning positive expectations and trust among society. All those who work in the NGK Group respect human rights and comply with the law by acting on a foundation of fair values and internationally recognized norms of judgment.

### ESG Action Framework

In April 2019, the ESG Committee was established with the president serving as its chair. In line with the Group Philosophy, this committee deliberates on management issues pertaining to ESG. In fiscal 2020, other NGK committees discussed ESG issues in their functions.

ESG Action Framework Chart



### Fiscal 2019 ESG Committee Achievements

Session	Date	Agenda
1st	April 11, 2019	<ul style="list-style-type: none"> <li>Formulate basic concept of ESG Committee</li> <li>Analyze other companies' trends</li> </ul>
2nd	July 4, 2019	<ul style="list-style-type: none"> <li>Plan environmental, quality, health and safety, and compliance activities</li> <li>Analyze ESG corporate rankings</li> </ul>
3rd	September 25, 2019	<ul style="list-style-type: none"> <li>Discuss risk management issues</li> <li>Plan community service activities</li> </ul>
4th	December 18, 2019	<ul style="list-style-type: none"> <li>Make long-term environmental plan</li> </ul>
5th	March 19, 2020	<ul style="list-style-type: none"> <li>Step up risk management</li> <li>Plan ESG information disclosure</li> </ul>

## Key ESG Action Themes

At the first ESG Committee session in fiscal 2020, we decided on the key action themes for the fiscal year.

Key themes	Main activities	Activity leader
Human rights protection	<ul style="list-style-type: none"> <li>Formulate human rights policies</li> <li>Carry out human rights due diligence</li> </ul>	<ul style="list-style-type: none"> <li>HR Committee</li> </ul>
Climate change countermeasures	<ul style="list-style-type: none"> <li>Formulate next term's environmental action plan and environmental vision</li> <li>Plan specific action on TCFD</li> </ul>	<ul style="list-style-type: none"> <li>Environmental Protection Committee</li> <li>Task force</li> </ul>
Support for ESG in supply chain	<ul style="list-style-type: none"> <li>Disseminate CSR procurement policy</li> </ul>	<ul style="list-style-type: none"> <li>Task force</li> </ul>
Revamping of governance system	<ul style="list-style-type: none"> <li>Study framework giving clearer separation of execution and supervision</li> <li>Strengthen risk management system</li> </ul>	<ul style="list-style-type: none"> <li>Task force</li> </ul>
Contribution to SDGs from new business	<ul style="list-style-type: none"> <li>Assess development themes from an SDG standpoint</li> </ul>	<ul style="list-style-type: none"> <li>Development Committee</li> </ul>
Implementation of ESG-related capital investment	<ul style="list-style-type: none"> <li>Plan environment-related capital investment</li> <li>Spread barrier-free facilities</li> </ul>	<ul style="list-style-type: none"> <li>Facilities Committee</li> </ul>
ESG information disclosure (integrated report, securities report)	<ul style="list-style-type: none"> <li>Increase number and depth of disclosure items</li> </ul>	<ul style="list-style-type: none"> <li>Task force</li> </ul>
Concept of community service activities	<ul style="list-style-type: none"> <li>Plan NGK Foundation for International Students and international student center activities</li> </ul>	<ul style="list-style-type: none"> <li>Task force</li> </ul>

Note: Task forces are project teams comprising members of relevant business divisions.

## NGK Group Signs UN Global Compact

The NGK Group is a signatory to the United Nations Global Compact, which advocates for independent action on the part of companies. We believe that addressing a broad range of social problems through our business activities, while measuring progress against indicators such as the SDGs, is an important corporate social responsibility.

The UN Global Compact is a global framework for realizing sustainable growth through companies and organizations acting as good members of society.



## Position on SDGs

Ever since its foundation, the NGK Group has pursued business in the energy, ecology, and electronics sectors in efforts to keep nature's air and water clean and thus help people live a comfortable, healthy life. Many of our technologies and products

contribute to the SDGs, and we will continue to provide new value by leveraging our unique ceramic technology towards the realization of a sustainable society.

