Important Issues

Finances

Appendix

Biodiversity conservation

NOF's initiatives to protect biodiversity

The NOF Group places great importance on proactively working to protect and restore biodiversity. To this end, we have adopted the following policies.

- In order to minimize the impact of our business activities on biodiversity, we conduct environmental impact assessments, identify risks, and implement countermeasures.
- We require our employees to comply with international guidelines, laws, and regulations related to biodiversity protection and to work for environmental conservation.
- We assess supply chain risks that may cause biodiversity loss and promote sustainable procurement through cooperation with our suppliers.
- We provide educational programs to raise environmental awareness and educate

employees and relevant people on the importance of biodiversity protection.

 We cooperate with local communities to participate in local ecosystem protection activities and biodiversity restoration projects.

Through these initiatives, we will contribute to ensuring biodiversity and realize a more sustainable future.





Biodiversity conservation activities visualized with a map

In addition to "forest planting" through creation of green areas alongside roads as well as thinning and pruning company-owned forests, we are implementing plans that contribute to biodiversity at our sites across Japan through protection activities mainly for endangered species, extermination of invasive non-native plants, and donation activities.

Clicking **K** on an initiative written in green will take you to the page with details.



Going paperless



Modal shifting



Introduction of alternative methods to animal testing in the evaluation of cosmetics materials (animal welfare)



Recycling of plastic waste

Participation in "Amagasaki Forest

Central Green Space Forest

Planting" volunteer activities





Activities to protect Japanese

swamp lantern clusters

(HOKKAIDO NOF CORPORATION)

Kawagoe



Taketoyo community tree planting festival (seedling purchase and sponsorship)



Weeding of the Designated Invasive Alien Species "lanceleaf tickseed"



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Donations aimed at protecting the global environment (WWF, Green Fund, Keidanren Nature Conservation Fund)



Use of FSC-certified paper



Green procurement



RSPO membership, participation in the Japan Business and Biodiversity Partnership, endorsement of the Keidanren Initiative for Biodiversity Conservation, participation in JaSPON and JaIME



GRI 304-1,3,4



Purchase of electricity certified to come from non-fossil fuel sources



Food waste reduction (functional foods)



Modal shift, joint deliveries



Participation in the Kawasaki City Green Office Promotion Council Creation of rooftop greenery, green walls, and greenery on our grounds



Participation in the Forest Restoration Partner System (NOF METAL COATINGS ASIA PACIFIC CO., LTD.)

Biodiversity conservation | Conservation activities



NOF METAL COATINGSParticipation in the Forest Restoration Partner SystemASIA PACIFIC CO., LTD.under the Kanagawa Forest Restoration 50-Year Project

The Kanagawa Forest Restoration 50-Year Project is an initiative to revitalize forests measuring about 95,000 hectares, or about 40% of the prefecture's land, from the prefecture's Mount Oyama and Hakone mountains to forest land in satoyama areas and urban areas. The objective is to prevent the devastation and erosion caused by lack of care and to pass on the rich blessings of the forests to the next generation. NOF METAL COATINGS supports forest maintenance on an area of about 10 hectares (equivalent to about two Tokyo Domes). The forest areas absorb about 247 tons of CO₂ over 5 years. In addition, it has been decided to name a portion of the forest designated by the prefecture as "NOF METAL COATINGS Forest." Going forward, as a partner company, we will conduct events for forest maintenance, nature observation, and more. The forest will be used as a place to promote health and deepen friendship with employees and their families, thereby contributing to the protection of nature and environmental preservation.

In fiscal 2022, a total of seven employees from the Amagasaki Plant participated in the "Amagasaki Forest Central Green Space Forest Planting," one of the initiatives of the "Amagasaki 21st Century Forest Project" promoted by Hyogo Prefecture. Working together with general volunteers and the secretariat, the employees worked hard on tree planting and weeding. In addition to learning about the process of reforestation and the importance of biodiversity, they also experienced the satisfaction of nurturing rich natural forests.



GRI 304-3.4

NOF CORPORATION Sustainability Report

2023

Contents

Head Office Use of FSC-certified paper

PICK

UP

FSC certification is an international system that certifies "responsible forest management" for the purpose of sustainable forest utilization and conservation. NOF uses FSC-certified paper for its Integrated Report, notice of General Meeting of Shareholders, company profile, and internal newsletters, and cooperates in activities to protect forests.



The Japanese swamp lantern, which is known in Japan from the children's song "A Memory from Summer," is an alpine plant that grows near water. On the grounds of the HOKKAIDO NOF CORPORATION Head Office plant (Bibai City, Hokkaido), which covers an area of about 43 hectares, or 9.2 times the size of the Tokyo Dome, there is a wetland where Japanese swamp lantern clusters grow as the sun filters through the trees. Surrounded by Japanese white birch and other trees and water, this rich ecosystem is carefully protected with the continuous observation of employees.

The perennial plant "lanceleaf tickseed," a member of the Asteraceae family native to North America, was introduced from overseas as an ornamental and greening plant. However, in 2006 it was designated as a "Designated Invasive Alien Species" under the Act on the Prevention of Adverse Ecological Impacts Caused by Designated Invasive Alien Species because of its strong reproductive capacity and potential to seriously impact the ecosystem in Japan. Cultivation, transport, sale, and release into the wild are prohibited. Local governments throughout Japan are calling for extermination of lanceleaf tickseed through their websites and other means. At our Aichi Works, lanceleaf tickseed grows in various parts of the grounds, and has increased dramatically in recent years. Therefore, the entire plant is conducting extermination activities.



PICK UP Office CSR-based procurement

From fiscal 2010, the NOF Group took up "Promoting conservation of biodiversity" as one of the targets of its RC activities, and from October 2012, NOF joined the Round-table on Sustainable Palm Oil (RSPO*) as "Palm Oil Processors and Traders" to contribute to the healthy development of the palm oil industry. Since 2014, the NOF Group has participated in the Japan Business and Biodiversity Partnership, which promotes initiatives for biodiversity by business operators. NOF currently endorses the Declaration of Biodiversity and Action Policy by Keidanren (2018 revised edition). Furthermore, in April 2019, NOF became a founding member of the Japan Sustainable Palm Oil Network (JaSPON), which comprises 18 companies and organizations including manufacturers, retailers, and non-governmental organizations, and also engages in activities to encourage the entire industry to procure and use RSPO certified palm oil.

* Acronym for Roundtable on Sustainable Palm Oil. The RSPO was established in 2004 with an eye to promoting sustainable production and profitability of palm oil through the formulation of globally creditable authentication standards and participation of stakeholders. The RSPO is headquartered in Zurich, Switzerland.

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Prevention of soil and water pollution

Functional Materials business Explosives & Propulsion business

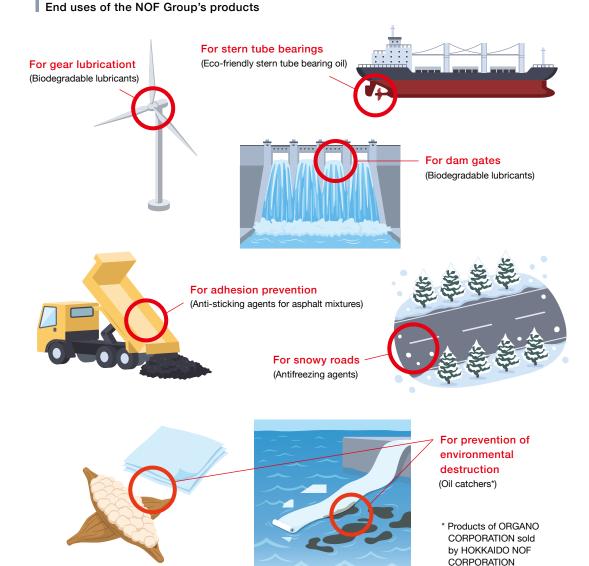
Conventional lubricants and stern tube bearing oils used in construction equipment, dam gates, wind power generation, and other applications, as well as anti-sticking agents for asphalt mixtures used in road construction, pollute the environment when exposed to nature. The NOF Group provides products that are highly biodegradable and thereby contributes to preventing soil and water pollution.

In addition, KAMAGU[®] is an eco-friendly antifreezing agent that does not cause salt damage to concrete sections of tunnels, bridges, etc., and also has minimal impact on plants. AUTOKAMAGU® JET automatic antifreezing agent spraying device works using 100% natural energy (solar energy), and thus contributes to climate change mitigation.

Effects for water pollution prevention and forest protection as well

Sold by sales agents

We are working to spread oil catchers made from kapok seeds (products of ORGANO CORPORATION sold by HOKKAIDO NOF CORPORATION) because they prevent environmental damage caused by oil, and also contribute to forest conservation without deforestation environmental damage as they are made from the fibers of kapok seeds.





End uses of the NOF Group's products



Organization

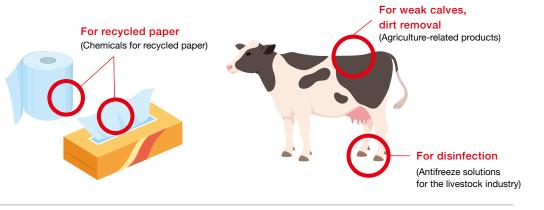
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Protection of forests and animals

Functional Materials business Explosives & Propulsion business

Recycled paper contributes not only to proper waste disposal but also to global environmental conservation by protecting forest resources. The NOF Group contributes to forest protection with chemicals for recycled paper (pitch control agents, removing agents, etc.), which are indispensable for recycled paper.

In addition, Viva Frostir[®] is an antifreeze solution for the livestock industry that is gentle to animals and humans during winter disinfection. NEODRINK® maintains the physical strength of weak calves, and Za Yoroi-Otoshi helps reduce stress in cows by quickly removing dirt.





Environmental information

Explosives & Propulsion business

In addition to seawater and atmospheric observations, we use satellite surveys of vegetation and coastal zone changes and behavioral tracking of rare creatures as basic data for ecosystem conservation. Our marine equipment and rocket fuel also contribute to biodiversity.



Climate change mitigation

Functional Materials business Functional Foods business Metal Coatings business

It is believed that global warming will cause imbalances in ecosystems due to forest thinning, forest fires, and acidification of seawater, leading to an increased risk of extinction of plants and animals. We have various products related to climate change mitigation that also contribute to biodiversity.

End uses of the NOF Group's products



Climate change mitigation > P.093

