



# Corporate Governance

## Governance in the Sustainability Report

GRI 2-9,10,12,13,14

### Sustainability approach and initiatives (role of the highest governance body)

The NOF Group’s sustainability approach and initiatives are as follows.

### Governance and risk management for sustainability in general

The NOF Group identifies materiality (important issues) related to sustainability through discussions in the Strategic Meeting, which is composed of Directors concurrently serving as Operating Officers as well as Operating Officers with a title, and the Sustainability Committee, which is chaired by the President. The Board of Directors then approves the materiality. For each materiality issue, KPIs and target values are set and activities are promoted by the supervising organization or department in charge. The progress and results are reported to the Sustainability Committee. The Sustainability Committee reviews materiality with the participation of all directors, and examines key issue items, KPIs, target values, and response policies in order to continuously improve the level of activities.

In regard to risks, the Risk Management Committee conducts a comprehensive assessment, and the various specialist committees supervise monitoring and managing the progress of risk countermeasures and response measures.

Opportunities are discussed by the Executive Management Committee and the Priority Business

Review Committee, and important matters are deliberated by the Executive Committee. A system has been put in place in which the results of these committees and meetings are reported to the Board of Directors at least twice a year for supervision.

### Promotion of CSR

We will increase frequency of activities of the Sustainability Committee, an umbrella organization chaired by the President, as well as the various specialty committees to strengthen risk management system.

### CSR promotion framework

