

Identification of 11 materiality issues (important issues)

The NOF Group has set KPIs and their targets for each issue in order to realize the ideal conditions contained in the NOF VISION 2030. Gaps between target figures and actual results are evaluated, and targets are re-set for the following year and beyond to achieve them.

Process of identifying materiality



We will draw up a list of potential themes by adding new social issues and high-profile issues to the themes considered in the previous process. We will classify and consolidate the themes as materiality factors with reference to various guidelines.

Reference material

- ISO26000
- GRI Standards
- SASB CHEMICALS
- SDGs
- Competitors' materiality issues
- In-house workshops

We will assess the priority levels with which to tackle the materiality factors based on the two axes of “degree of impact on society” and “degree of impact on the company.” We will also add the following elements to our considerations.

- ① Results of evaluation of NOF by ESG rating agencies
- ② ESG-related opinions received from shareholders in the past twelve months
- ③ Perspectives of issues pursued by the NOF Group in the past

After summing up the opinions of the individual divisions that handle the promotion of CSR activities, we will hold discussions at Strategic Meetings, which comprise Operating Officers with a title, and in the Sustainability Committee chaired by the President, and select the important issues. The lead divisions and divisions tasked with handling the important issues will also draft KPIs and numerical targets.

The Board of Directors will approve the important issues. The KPIs and numerical targets of each important issue will be adjusted as required based on the opinions of the Board of Directors. Based on this, the individual divisions will carry out their respective activities.

The important issues will undergo periodic reviews. Each of the important issues will be reviewed annually by following Steps 1-3 while incorporating internal and external stakeholders' opinions.

Three categories and the main initiatives

The 11 important issues arranged in the Materiality Matrix were divided into three activity categories.

Provide new values to realize a prosperous and sustainable society

Targeting the three prioritized business fields, we will aim to offer new value by combining the core technologies we have cultivated through our diverse business development.



▶ NOF's clean tech P.021-029
 ▶ Integrated Report ▶ P.044-047

Strengthen the business foundation

As well as building a corporate culture that accepts diversity of values, we will appropriately identify changes in the environment and technological progress and enhance our resilience.



▶ Response to human capital P.127-135

Promote responsible care activities

By securing the environment, safety, and health in all processes, from product development and manufacture to disposal, we will aim to be a corporate group that is trusted by the whole of society.



▶ Responses to Climate Change (TCFD) P.088-099
 ▶ Chemical safety P.105-106
 ▶ Biodiversity conservation P.110-115