

IP Strategy to Protect Technology and Values

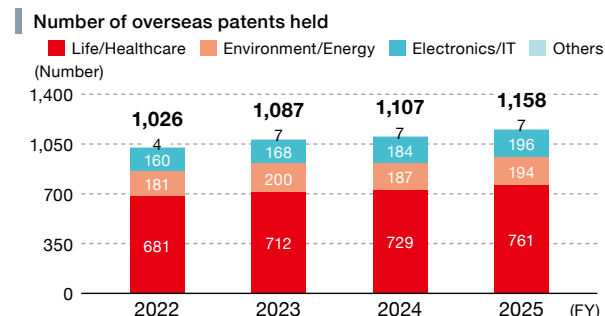
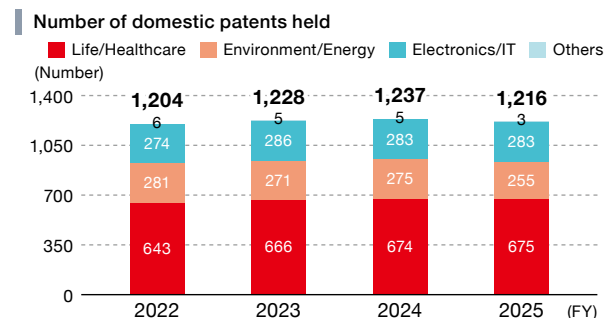
Advancing patent acquisition and IP landscape

To create new value in the three fields of Life/ Healthcare, Environment/Energy, and Electronics/IT, the NOF Group utilizes the IP landscape (IPL) to advance the development of new products and technologies while actively pursuing the acquisition of intellectual property rights.

We also respect intellectual property rights, along with putting our efforts into talent development.

Status of applications in the three prioritized business fields

In the Life/Healthcare, Environment/Energy, and Electronics/IT fields, we formulate intellectual property strategies based on management strategies and acquire the necessary rights. We also recognize that investment in intellectual property is an initiative for medium- to



long-term value creation, and will link intellectual property to business domain expansion and market creation.

Currently, the number of overseas patents we hold in the Life/Healthcare field has been growing in line with the expansion of our global operations.

Promotion of joint research and intellectual property rights acquisition

Based on our corporate philosophy of “contributing to humanity and society as a corporate group that creates new value through the power of chemistry, from the biosphere to outer space,” we work to create new businesses by actively promoting open innovation and the discovery of promising topics both inside and outside the Company.

Centered on the research divisions of the NOF Group, including the Advanced Technology Research Laboratory (current Health Science Research Laboratory and Material Science Research Laboratory)*, we promote the development of new products and technologies through joint and commissioned research with industry, academia, and government, as well as acquiring the effective rights to these products and technologies.

In addition, we offer invention rewards for patents that make a significant contribution to the Company’s profits. By increasing incentives for inventors, we are working to increase motivation toward producing inventions that contribute significantly to profits.



Utilization of IPL

In activities such as application exploration, search for co-creation partners, and research theme exploration, NOF actively utilizes IPL, with the Corporate R&D Division, laboratories of each business division, and the IP Department working together. We have established standardized analysis flows for the purpose of investigations, and provide information that contributes to identifying the direction of R&D and searching for new applications and co-creation opportunities, by visualizing trends in technologies, competitive dynamics, and the potential of application areas. We also hold IPL liaison meetings attended by senior personnel from the research and IP departments to decide on investigation policies and manage progress, thereby boosting collaboration between IP strategy and research strategy. Through these activities that promote the utilization of IPL, we aim to improve research efficiency in each division and shorten the time required for commercialization, thereby accelerating the development of new applications and new products, as well as pioneering new markets, leading to enhancement of corporate value.

We are also promoting the utilization of IPL through enhanced internal training. In addition to basic training on searching and patent analysis, we provide training on analysis tools such as data visualization and text mining, supporting the improvement of skills of researchers.

* The Advanced Technology Research Laboratory has been abolished.