Value Creation Process



- ·Climate change
- ·Food issues
- Resource depletion
- Energy shortages
- Declining birthrate / aging population
- ·Health issues

Corporate philosophy

Achieving smart operations

Creating products, value, and a new future with the power of chemistry

We propose new technologies and new products by combining the core technologies we have acquired in our diverse business areas. To solve various social issues, we aim to grow sustainably centered on our three prioritized business fields.

Social issues Sustainable investment to solve social issues Materiality Provide new Input **Business Model** Output **Outcomes Vision** values to realize a prosperous and sustainable Toward our corporate vision **Utilization of** society Economic value in NOF Vision 2030 capital Long-term enhancement A corporate group that Strengthen of corporate value continuously creates the business through innovation **Provision of** foundation new value with the in chemical materials high-performance and Procurement power of chemistry high-value-added in the three fields of products Promote Social value Explosives Responsible **Functional** Life/Healthcare, Care activities Contributing to our Chemicals Medicals Propulsion Environment/Energy, customers' sustainable Health products and Electronics/IT growth as well as ▶ P.016-021 improvements to local in order to realize communities and the global a prosperous and environment by helping to ▶ P.104-111 Corporate governance sustainable society solve customers' challenges

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Output

Input

Financial capital

- R&I (Rating and Investment Information, Inc.)
 - A⁺ (Long-term rating)

Human capital

- Number of employees 3,997 NOF 1,895
- Number of temporary employees ... 152

Manufacturing capital

- Facility investment · · · · ¥18.3 billion
- Manufacturing sites 20 sites (includes 4 NOF sites)

Intellectual capital

- R&D investment ········· ¥7.9 billion Patents held NoF 1.237
- Patent attorneys4

Social capital

- Number of suppliers ····· NOF 1,100
- Commissioned research to universities and research institutes

Natural capital

- Total substance input · · · · · 226 thousand tons
- Total energy input · · · · · 2,903 thousand GJ
- Volume of water used* ···· 7.886 million m³ *Water input - water discharged

(FY2024 result)

Three strengths developed through now

Business Model



Diverse management



Advanced technology development



Development of five forms of business in three segments

Functional Chemicals Segment

Functional Materials business Metal Coatings business

Pharmaceuticals. Medicals and Health Segment

Life Science business **Functional Foods business**

Explosives & Propulsion Segment

Explosives & Propulsion business

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Provision of high-performance and high-value-added products

Economic value

- Operating income ··· ¥45.3 billion
- Dividends ····· NoF ¥45/ share

Social value

- Countries sold to ··· 82 countries
- Industry-government-academia joint research 89
- Percentage of female employees NOF 16.0%
- Percentage of employees with disabilities NOF 2.65%
- Greenhouse gas emissions (Scope 1 + 2)*.... 1.2% reduction ... Domestic Group 5.2% reduction
 - *Compared with FY2023

(FY2024 results)

Economic value

Long-term enhancement of corporate value through innovation in chemical materials

Social value

Contributing to our customers' sustainable growth as well as improvements to local communities and the global environment by helping to solve customers' challenges