



Pensions and Retirement Plans / Procurement Practices

GRI 201-3/204-1

Pensions and retirement plans

NOF has a funded defined benefit corporate pension plan to provide for the payment of retirement benefits to employees. Points are accumulated on the basis of qualifications and years of service under the human resources system, and an annuity or lump-sum payment is provided.

The funding ratio of pension assets relative to the policy reserves of the defined benefit corporate pension plan as of March 31, 2025, is as follows. Note that it exceeds the criteria on an ongoing^{*1} and non-ongoing^{*2} basis.

Pension assets	¥23,760 million
Policy reserves	¥19,111 million
Funding ratio	124.3%

Procurement practices

At NOF, purchases of main and auxiliary raw materials are made, in principle, by the Head Office. However, for items that are more advantageous to purchase at a particular location due to the location conditions of the supplier or the particulars of the transaction, items that require prompt delivery, or items that are purchased in small quantities, purchases are made by the works or plant (location-based purchasing).

^{*1} Ongoing basis criteria :The funded level required for pension benefits assuming that the plan will continue in the future

^{*2} Non-ongoing basis criteria :The funded level corresponding to pension benefits if the plan were to be terminated as of the end of the fiscal year