



Pensions and retirement plans / Procurement practices

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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, 2024 is as follows. Note that it exceeds the criteria on an ongoing*1 and non-ongoing*2 basis.

Pension assets	¥23.244 billion
Policy reserves	¥18.595 billion
Funding ratio	125.0%

Procurement practices

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

Ratio of number of companies and value of purchases made by the Head Office and various locations in fiscal 2023 (main and auxiliary raw materials)

	Number of purchasing companies (%)	Value of purchases (%)
Purchases by the Head Office	58.3	81.0
Purchases by locations	41.7	19.0

*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 was terminated as of the end of the fiscal year