2-17/404-2

Human Resources Development | Talent Development System

NOF promotes a talent development system including support for "correspondence courses," in which each employee is allowed to choose his/her own training options, "training at the organizational level," which is made to suit issues in different levels, as well as "training regarding specific issues," which is suited to enhance the employees' expertise and is made in accordance with specific issues that arise in execution of duties.

This system effectively promotes talent development suited to each individual and his/her work, while at the same time aiming to make work more rewarding, invigorate the organization, and help to realize sustainable business growth for NOF.

Leadership

NOF is actively working to develop the leadership skills of its employees so that everyone, regardless of attributes such as age, can ambitiously take on challenges and achieve personal growth.

In line with the diversity concept of "respecting diversity, including gender and other attributes, and aiming to create an organization where people with talent and ambition can play an active role," NOF has introduced "diversity training" for female employees to develop their leadership skills. In order to enhance the effectiveness of the "diversity training" and promote the active participation of women, the content of the training has been customized and is also offered to managers

regardless of gender.

In addition, we are fostering leadership skills through "training at the organizational level" depending on job post, as well as "training regarding specific issues," which enhances the employees' expertise. At the NOF Management School, which is responsible for developing the next generation of management, we implement programs that include discussions on transforming the future focus of the NOF Group. In addition, we provide feedback on participants' leadership assessment results, helping them understand their own leadership traits and fostering the leadership ability to create and execute new initiatives from scratch.

Promoting training at the organizational level and regarding specific issues

In an effort to conduct more effective human resources development, NOF has set up a talent development system with a framework involving training at the organizational level and training regarding specific issues. The relatively junior employees mainly undergo training at the organizational level, while management-level employees undergo training regarding specific issues.

In fiscal 2023, a total of 2,489 people participated in training at the organizational level and regarding specific issues.

Irrespective of these talent development systems, we offer a variety of training and educa-

tional opportunities necessary for business operations.

In fiscal 2023, in response to the implementation of the revised Corporate Philosophy and Guiding Framework in April of that year, we held workshops for all employees, etc. to share the newly defined values and promote understanding of autonomous actions based on these values. Additionally, as part of our efforts aligned with these values, we have started offering opportunities for employees to engage with the perspectives of managers from various fields, cultural figures, and researchers. This aims to promote the growth of autonomous human resources who can utilize a broader perspective and advanced expertise in their work.

We have also newly added training to our competency framework enabling employees to independently and proactively consider their medium-term career design. In addition, we have systematically implemented initiatives such as training programs for developing digital transformation (DX) human resources and fostering the next generation of managerial human resources.

2-17/404-2

Overview of training at the organizational level and regarding specific issues

		Executive positions			Career-track positions				Core positions				
					Management -level positions	Instructor positions	Full-tim	Full-time positions		Instructor p	positions	Full-time positions	
Training at the organizational level				Employees promoted to chief positions	Employees promoted to assistant manager	Employees who instruct new graduates Before the study report career-track em Study report conference f career-track employees	conference for ployees		Employees promoted to assistant manager		Employees promoted to elementary instructor positions		
							Before the study report conference for career-track employees		Strengthening of capabilities in the field				
												Acceptance of	new graduates
							Follow-up fo	or new graduates				Follow-up for r	ew graduates
	Management and	NOF Management School			Course for o	candidates for promotion to				Course for car	ndidates for		
	administration	Outsic	Outside BS*		chief, assistant manager, and upper instructor positions			promotion to assistant manager and upper instructor positions					
	Accounting		Finance										
Tra	Global	Short-term overseas language study Practical English skills											
Training		Global training											
		Training prior to overseas assignments											
regarding	Performance appraisal	Employees for performa			responsible nce appraisal			Employees responsible for performance appraisal					
	Supervisors								Supervisor	rs (foremen)			
pec	Supervisors								Supe	rvisors (team lead	ders)		
specific	R&D		Business R&D	for researchers		Business R	&D for researche	ers					
iss		Research the	me evaluators										
issues	Practices	New sales staff											
		Sales practices (contracts and claims management) Diversity											
	Other	Mental health											
		Career training											

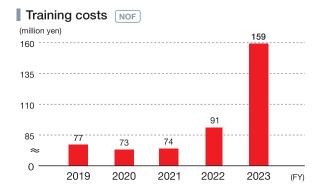
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Hours of training and costs

Based on the basic philosophy that "a company is its people," we will actively invest in human capital and encourage the growth of human resources who embody the NOF Group's values of "Challenges," "Fairness," and "Harmony," and can also create new value.

As human investment for securing human resources, human resources development, etc., NOF is implementing workplace environment improvement, expansion of talent development programs, and initiatives for digital transformation (DX) human resources development.

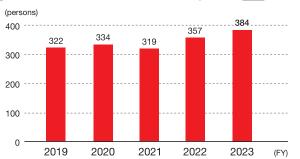
In fiscal 2023, training hours at NOF totaled 17,000 hours, including group and workshop training (10.0 hours per employee), at a total training cost of 159 million yen. In addition, training hours at NOF and its five domestic consolidated companies totaled 19,982 hours, including group and workshop training (7.3 hours per employee).



Support for self-education/development

NOF provides a wide range of self-education/development programs such as various correspondence courses and e-learning courses (e.g., business skills and languages) to support the spirit of challenge of motivated employees and to encourage further skill development and the self-realization of each individual. In fiscal 2023, a total of 384 employees took advantage of the various correspondence courses and e-learning courses.

Total number of participants in self-education/development programs NOF





"Correspondence Course Guide"

GRI

404-2

Human Resources Development | Talent Development System

Promotion for acquiring official qualifications

The NOF Group supports employees' efforts to acquire official qualifications in many different aspects. In fiscal 2023, a total of 510 people newly acquired 45 types of such qualifications.

People who acquired qualifications

FY2021 **362** people (41 types)

FY2022 **366** people (43 types)

FY2023 **510** people (45 types)

Number of qualifications obtained in FY	2023	Domestic Group
	Total nu	mher of neonle who

Type of qualification	Total number of people who acquired the qualification
Energy control	1
Pollution control	3
Sanitation control	8
Chemical substance control	29
Specified chemicals control	35
Organic solvents control	58
Hazardous materials control	74
Protective equipment management	44
High pressured gas control	17
Explosive production control	2
Explosive handling control	5
Poisonous and toxic substances handling	3
Pressure vessels handling	9
Breathing safety control	21
Forklift	28
Crane	22
Hooking using cranes, etc.	30
Boilers-related work	15
X-ray work	1
Stacking/unstacking work	7
Full harness special training	44
Proper measurement control	2
22 other types of qualifications	52
Total	510