Value Creation Process

GRI 2-6,7

NOF Group

Input

Business model

Output

Outcomes

Financial capital

Human capital

• Employees ···········3,879

Manufacturing capital

- Facility investment…¥18.7billion
- Manufacturing sites ····· 20 sites (includes 4 NOF sites)

Intellectual capital

- R&D spending ······ ¥7.3 billionPatents held ····· NoF 1,228
- Patent attorneys ····· 4

Social capital

Number of suppliers

..... NOF 1,100 companies

 Commissioned research to universities and research institutes

Natural capital

- Raw materials --- 234 thousand tons
- Total energy input --- 2.909 million GJ
- Volume of water used -- 2.268 million m³
 *Water input water discharged

(FY2023 result)

Three strengths developed through now

Diverse management

Global expansion

Advanced technology development

▶ P.014



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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Product lineup for a wide range of industries

Functional Chemicals products

- Fatty acids
- Fatty acid derivatives
- Surfactants
- Ethylene oxide/ propylene oxide derivatives
- Organic peroxides
- Petrochemical products (polybutene, etc.)
- Functional polymers
- Electronic materials (LCD materials, etc.)
- Special anti-corrosion agents

Pharmaceuticals, Medicals and Health products

 Raw materials for DDS drug formulations (activated PEG, functional lipids, surfactants for drugs)

Biocompatible materials (MPC polymers, MPC monomers)

- Edible oils, functional food materials
- Healthcare food products

Explosives & Propulsion products

- Industrial explosives
- Space rocket products
- Defense products
- Functional products

Financial capital

- Operating income --- ¥42.1 billion
- Dividends ... NOF ¥114 / share

Human capital

Percentage of female employees

..... NOF 14.9%

Percentage of employees with disabilities.....NoF 2.54%

Manufacturing capital

Improving productivity

Intellectual capital

- Number of patent applications
 - NOF 161

Social capital

- Countries sold to ··· 82 countries
- Industry-government-academia joint research ········77

Natural capital

- Greenhouse gas emissions
- 9.1 % reduction (FY2023 result)

*Compared with FY2022