



NOF promotes a talent development system including support for “correspondence courses,” in which each employee is allowed to choose his/her own training menu, “training at the organizational level,” which is made to suit employees with different issues in different hierarchy, 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 making work more rewarding, invigorating the organization, establishing a sustainable business foundation, and enabling stable employment.

Promoting training at the organizational level and regarding specific issues

In an effort to provide a more effective training program, NOF has set up an education system that combines 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. Each organizational unit and division also plans and carries out, as necessary, training suited to their respective business operations.

In fiscal 2022, a total of 729 employees took part in the training programs.

Training program participants

FY2022 **729** people

Content of training at the organizational level and regarding specific issues

| | Executive positions | Career-track positions | | | Core positions | | | | | |
|--------------------------------------|---------------------------------------------------|---------------------------------------------|-----------------------------------------------------------------|---------------------------------------------------------------------------------------|-----------------------------|---------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-----------------------------|--|--|
| | | Management-level positions | Instructor positions | Full-time positions | Management-level positions | Instructor positions | Full-time positions | | | |
| Training at the organizational level | | Employees promoted to chief positions | Employees promoted to manager | | | Employees who perform personnel evaluations (Employees who perform first-stage evaluations for new employees) | | | | |
| | | Employees who perform personnel evaluations | Employees who perform first-stage evaluations for new employees | | | Employees promoted to manager | | | | |
| | | | | Employees who instruct new employees | | Supervisors (foremen) | | | | |
| | | | | Before the study report conference for career-track employees | | Supervisors (team leaders) | | | | |
| | | | | Study report conference for career-track employees | | | Employees promoted to elementary instructor positions | | | |
| | | | | | Acceptance of new employees | Strengthening of capabilities in the field | | | | |
| | | | | | Follow-up for new employees | | | Acceptance of new employees | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | Training regarding specific issues | Management and administration | NOF Management School | Course for candidates for promotion to chief, manager, and upper instructor positions | | | Course for candidates for promotion to manager and upper instructor positions | | | |
| | | Outside BS* | | | | | | | | |
| Accounting | | | Finance | Accounting | | | | | | |
| Global | | Short-term overseas language study | | | | | | | | |
| | | Practical English skills | | | | | | | | |
| | | Global training | | | | | | | | |
| | | Training prior to overseas assignments | | | | | | | | |
| R&D | | | Business R&D for researchers | Business R&D for researchers | | | | | | |
| | | | Research theme evaluators | | | | | | | |
| Practices | | New sales staff | | | | | | | | |
| | Sales practices (contracts and claims management) | | | | | | | | | |
| Diversity | Promotion of the active participation of women | | | | | | | | | |
| Mental health | Mental health | | | | | | | | | |

*Participation in outside business schools



Training and costs | Performance support system

GRI 404-2

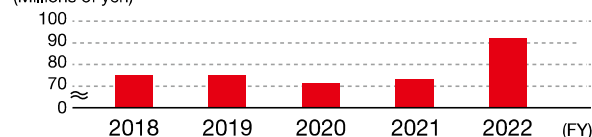
Training costs

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 will implement workplace environment improvement, expansion of talent development programs, and initiatives for DX human resources development. We aim to promote the autonomous growth of employees

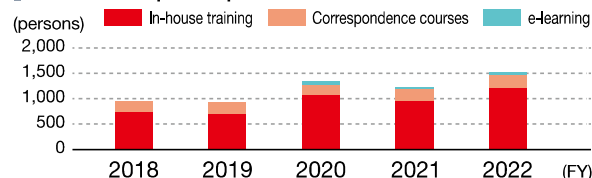
Training costs

(Millions of yen)



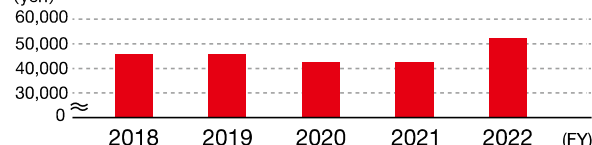
Number of participants

(persons)



Training cost per employee (number of employees is the parameter)

(yen)



and the development of global leaders, as well as to revitalize our diverse human resources.

Training expenses for fiscal 2022 totaled ¥91.309 million.

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 2022, a total of 250 employees took advantage of the various correspondence courses and e-learning courses.



Pamphlet
“Correspondence Course Guide”

Number of correspondence course and e-learning course participants

FY2022 **250**people

Promotion for acquiring official qualifications

The NOF Group supports employees’ efforts to acquire official qualifications in many aspects. In fiscal 2022, a total of 366 people newly acquired 43 types of such qualifications at the Domestic Group.

Qualification categories

FY2022 **43** types

People who acquired qualifications

FY2022 **366** people

Number of qualifications obtained in FY2022 Domestic Group

| Qualifications | Total number of people who acquired the qualification |
|-----------------------------------------|-------------------------------------------------------|
| Energy control | 4 |
| Pollution control | 5 |
| Sanitation control | 4 |
| Specified chemicals control | 45 |
| Organic solvents control | 41 |
| Hazardous materials control | 69 |
| High pressured gas control | 13 |
| Explosive handling control | 14 |
| Poisonous and toxic substances handling | 2 |
| Pressure vessels handling | 7 |
| Breathing safety control | 10 |
| Forklift | 21 |
| Crane | 10 |
| Hooking using cranes, etc. | 14 |
| Boilers-related work | 8 |
| Fire prevention | 3 |
| Drying equipment work chief | 1 |
| X-ray work | 2 |
| Stacking/unstacking work | 11 |
| Full harness special training | 23 |
| Proper measurement control | 3 |
| 22 other types of qualifications | 56 |
| Total | 366 |



Training and costs | Performance support system

GRI 404-2

Internal recruiting system

NOF has introduced an internal recruiting system that aims to foster autonomous (independent) human resource development by establishing a mechanism for publicly soliciting applications for project work to be implemented across the company and assigning motivated human resources to appropriate posts in order to improve employee ambition and revitalize the organization.

Rewards for employee achievements

NOF has established a system that rewards the accomplishments of employees who have contributed to the perpetual development of the Company's businesses on July 1 of each year.



Ceremony for rewards for employee achievements

Employee invention reward

In April each year, NOF examines employee inventions and awards invention rewards to inventors.



Ceremony for the employee invention reward