Brilliance through Chemistry

Medium-Term Business Plan "Brilliance through Chemistry Stage Ⅲ" (FY 2027/3 to FY 2030/3)

Nippon Soda Co., Ltd.

May 14. 2026

Contents

1 Review of the Previous Medium-Term Business Plan "Brilliance through Chemistry Stage Ⅱ" (FY 2024/3 to FY 2026/3)

Review of the Previous Medium-Term Business Plan

- **Maintained and stabilized high profitability through expansion of growth businesses. Progress was made in advancing core technologies through the enhancement and integration of proprietary technologies and introduction of external technologies.**
- **Implemented investments in products and businesses that enhance cash flow generation capability. Steady progress was made in improving capital efficiency. Achieved total return ratio of 50% or more.**
- **Agri Business fell short of expectations due to changes in the business environment since the COVID-19 pandemic.**

Basic Objectives

- Enhance corporate value through expansion of high-value-added businesses, and structural reform and growth investments that focus on asset efficiency.
- Establish and sophisticate core technologies by promoting research and technology strategies and promote the creation of new businesses.
- FY 2026/3 net income target: ¥17.0 billion

Capital Policy

- Growth investment: Use ¥40.0 billion over three years for new businesses, capacity expansion, and maintenance and renewal investments.
- Enhancement of asset efficiency: Liquidate products and businesses with decreased investment efficiency and conduct thorough investment risk assessment.
- Shareholder return: Continue targeting a total return ratio of 50% or more with stable dividends, and flexibly implement treasury share acquisitions.

KPIs and Results for FY 2026/3

(billions of yen)	2022/3 Results	2023/3 Results	**2024/3 Results**	**2025/3 Results**	**2026/3 Results**	**Target for Stage Ⅱ (2026/3 target)**	Long-Term Vision KPI (2030/3)
Net profit	12.68	16.69	**16.61**	**15.01**	**18.27**	**17.00**	
Capital investment	13.11	13.26	**7.48**	**10.31**	**10.71**	**40.00 / 3 years**	
Total return ratio	49.3%	40.1%	**52.1%**	**51.4%**	**74.6%**	**50% or more**	
ROS (Operating profit on sales)	7.8%	9.8%	**9.0%**	**10.4%**	**9.8%**		10% or more
ROA (Operating profit on assets)	5.0%	6.8%	**5.1%**	**5.6%**	**5.0%**		7% or more
ROE (Return on equity)	8.4%	10.3%	**9.3%**	**8.0%**	**9.3%**		10% or more

Review of the Previous Medium-Term Business Plan

Achievements and Issues

Basic objectives	Achievements of the previous medium-term business plan	Issues of the new medium-term business plan
Expansion of high value-added businesses	- Growth driver businesses expanded more than expected, significantly improving Chemical Materials profit margin. ▶ Pharmaceutical excipient "NISSO HPC", resin additive "NISSO-PB" - Progress was made in establishing and sophisticating core technologies and creating new businesses through the execution of the research and technology strategy and introduction of external technologies. ▶ Promoted open innovation including investments in and joint research with startups. - Agri Business fell short of expectations due to changes in the business environment since the COVID-19 pandemic and delays in product launches caused by delayed registration approvals in North America and Europe.	- Promote further expansion of high-value-added businesses. ▶ "NISSO HPC" ▶ "NISSO-PB", "VP-POLYMER" - Create new value through launch of new businesses. ▶ Animal Health business (supplements, feed, veterinary pharmaceuticals) ▶ Organic EL light-emitting material TADF - Promote global expansion of growth products in Agri Business. ▶ Fungicide "PYTHILOCK", acaricide "DANYOTE", fungicide "MIGIWA"
Enhancement of asset efficiency	- Implemented review of business portfolio including liquidation of unprofitable businesses. ▶ Terminated production and sales of chlorine-based disinfectant "NISSO HI-CHLON" and "High-Test Hypochlorite". ▶ Terminated production and sales of phenol-based color developers for thermal paper. - Implemented liquidation of cross-shareholdings (ongoing). ▶ Listed shares decreased from 31 issues at the end of March 2023 to 19 issues at the end of March 2026. - Commenced reduction of inventories that increased during the COVID-19 pandemic.	- Continue to consider and conduct liquidation of products and businesses with decreased investment efficiency. - Continuously implement liquidation of cross-shareholdings. - Continuously implement reduction of inventories while ensuring business continuity.
Growth investment and shareholder Return	- Growth investments to enhance cash flow generation capability progressed as planned. ▶ Completed expanded production facility of "VP-POLYMER", KrF photoresist material for semiconductor (doubled production capacity, completed in March 2025) ▶ Expanded production facility for pharmaceutical excipient "NISSO HPC" under construction (1.5 times production capacity increase, completion in first half of FY2027/3) - Achieved total return ratio of 50% or more, flexibly implemented treasury share acquisitions and cancellations.	- Implement investments in new businesses and capacity expansion as planned. ▶ "NISSO HPC" production facility expansion (completion in first half of FY 2027/3) ▶ TADF mass production facility (completion planned for FY2029/3) ▶ Automated warehouse for pharmaceuticals and hazardous materials (Trading & Logistics) - Enhance corporate value and implement appropriate shareholder returns.

Review of the Previous Medium-Term Business Plan

Expansion of Growth Businesses

-Enhanced corporate value through expansion of high-value-added businesses, and through structural reform and growth investments that focus on asset efficiency.
-Accelerated efforts toward creation of new businesses by establishing and advancing core technologies through promotion of research and technology strategy and introduction of external technologies.

Growth investment

Expanded production facility for semiconductor KrF photoresist material "VP-POLYMER"

▶ Doubled production capacity.
(completed in March 2025)
- To respond to increasing demand for AI-related HBM in addition to automotive semiconductors and conventional memory applications.

Expanded production facility for pharmaceutical excipient "NISSO HPC"

▶ To increase production capacity to 1.5 times (completion in 1H FY 2027/3).
- To realize efficient production of diverse grades.
- To target expanding global pharmaceutical and supplement markets for global sales expansion.

Opened pharmaceutical formulation technology support service facility "CTAC EU"

▶ Opened "CTAC* EU" in Germany to strengthen overseas expansion in anticipation of increased production of "NISSO HPC" (February 2025). *CTAC: Cellulose Technical Application Center
- A collaborative facility where we jointly create new value for "NISSO HPC" with customers.
- Provide high value that meets customer needs through promotion of new application development and formulation development, leading to medium- to long-term sales expansion of "NISSO HPC".

Promotion of Research and Technology Strategy

Promotion of Open Innovation

▶ Concluded capital and business alliance agreement with Kyulux, Inc..
- To establish mass production and stable supply system for next-generation organic EL light-emitting material TADF.

▶ Concluded capital and business alliance agreement with SENTAN Pharma Inc..
- To utilize nanoparticle technology for Agri Business and Healthcare, create new businesses.

▶ Invested in Bacchus Bio Innovation Co., Ltd..
- To utilize bio-manufacturing technology for Agri Business and Healthcare.

▶ Concluded joint research and development agreement with KAICO Inc..
- To develop and provide proteins necessary for veterinary pharmaceuticals.

▶ Concluded joint research agreement with MabGenesis Inc..
- To create new monoclonal antibody pharmaceuticals for dogs and cats.

Strengthening System for Early Creation of New Businesses

▶ Promoted "fusion of knowledge" and "fusion of skills," accelerated decision-making and operational speed.
- Integrated agrochemical R&D division with functional materials and electronic materials R&D division.
- Started integrated operation of R&D division and production technology research division.

▶ AI utilization progressed beyond expectations, evolving from focused technology to platform technology.

Review of the Previous Medium-Term Business Plan

● Promotion of Human Capital Management Vision "Make Employees Brilliant"

Created a virtuous cycle that enhanced value creation and a sense of fulfillment by stimulating autonomy and growth and through flexible and efficient workstyles that enabled employees to maximize their capabilities.

Introduction of New Personnel System

▶ Pursuing alignment with management strategy, we have established various systems to foster "Brilliant People" through chemistry.
- Built a system that supports employees' Challenge, Learn, and Action.

▶ Responding to the diversification of employee values and attitudes.
- Introduced a career track conversion system, accelerated promotion system, and area-limited work system.

Improvement of Employee Engagement

▶ Established competitive salary levels to secure human resources and enhance employee motivation.
- To strengthen recruitment capabilities, raised the starting salary for university graduate in comprehensive career positions to ¥300,000 per month in FY2026/3.
- To secure and retain "Brilliant People," implemented a uniform base salary increase of ¥50,000 in 2025.

2026 健康経営優良法人 KENKO Investment for Health 大規模法人部門

▶ Introduced a stock benefit trust (J-ESOP) for management positions to increase motivation for contributing to corporate value enhancement.

▶ Established various systems aimed at improving work-life balance.
- Certified as a "Health and Productivity Management Outstanding Organization" for nine consecutive years.

Promotion of Our DX Vision "Brilliance through Digitalization"

▶ By transitioning to paperless business documents (digitalization of internal information), we have established a foundation for utilizing generative AI, dramatically improving operational efficiency.

▶ Established various systems to enhance DX literacy among all employees.
- Certified as a "DX Certified Business Operator" in 2024.

Digital Transformation Certification

● Response to Climate Change Issues

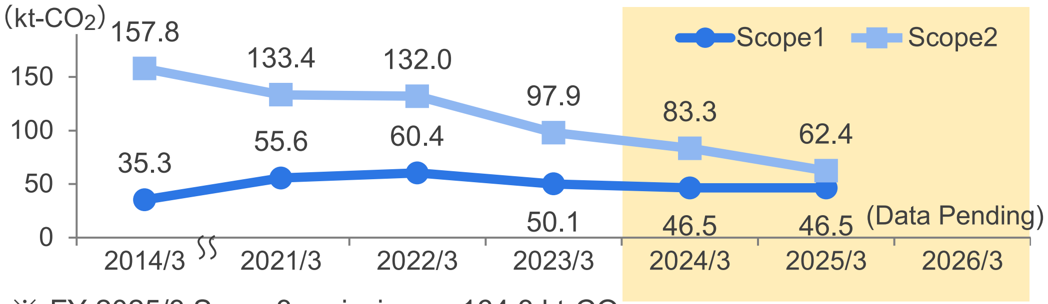
Initiatives toward Achieving Carbon Neutrality by 2050

▶ Transition to Renewable Energy
- Replaced 100% of electricity used at Nihongi Plant (Niigata Prefecture) and 20% at Takaoka Plant (Toyama Prefecture) with renewable energy-derived electricity in FY 2025/3.
- Introduced solar power generation system at Chiba Plant in FY2025/3.

▶ Transition to Sustainable Manufacturing Processes with Low Environmental Impact
- Promoted establishment of bio-manufacturing technology and continuous flow synthesis technology.

Reduction of GHG (Greenhouse gas) emission

【GHG Emissions by Scope (Nippon Soda Non-consolidated)】



※ FY 2025/3 Scope3 emissions：164.3 kt-CO_2

Reduction of Industrial waste

▶ Reduced final landfill disposal volume through reduction and recycling of industrial waste.
- Promoted industrial waste reduction to continue zero emissions*.

* Zero emissions: Percentage of final landfill disposal volume of 2% or less against the volume of industrial waste transferred

Review of the Previous Medium-Term Business Plan

● Progress Status of the Long-Term Vision (Apr 2020 to Mar 2030)

Long-Term Vision Roadmap

Stage Ⅰ (Apr 2020～Mar 2023)

Strengthen platform to enhance corporate value
Growth investment, liquidation of unprofitable businesses, expansion of overseas business, cultivation and establishment of core technologies

Stage Ⅱ (Apr 2023～Mar 2026)

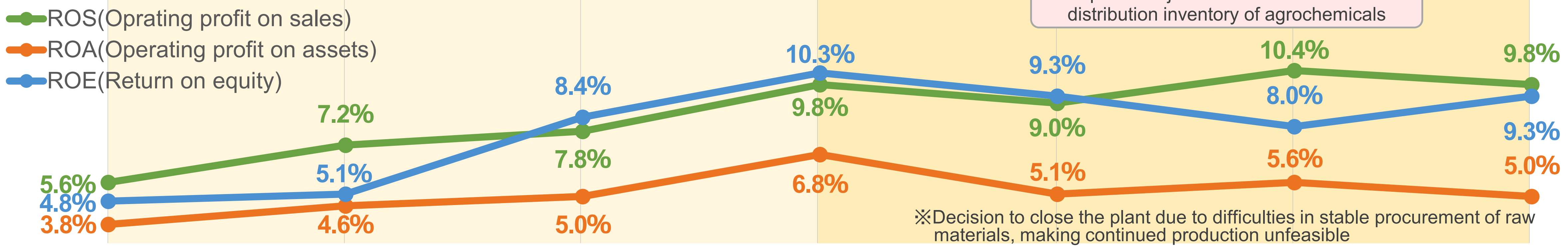
Core stage for reform into a highly efficient business structure
Maintenance and stabilization of high profitability, expansion of overseas business, establishment and sophistication of core technologies

2020/3 | 2021/3 | 2022/3 | 2023/3 | 2024/3 | 2025/3 | 2026/3

Growth investment
- Completed the production facility expansion of pharmaceutical excipient "NISSO HPC"
- Completed construction of mass production facility for new fungicide "MIGIWA"
- Completed the production facility expansion of semiconductor material "VP-POLYMER"
- Expanded facility for "NISSO HPC" under construction
- Implemented investments in startups (drug discovery, next-generation organic EL materials, bio)

Business liquidation
- Dissolved the equity-method affiliate manufacturing and selling herbicides
- Discontinued the caustic potash electrolysis-related business
- Transferred the consolidated subsidiary manufacturing and selling metallic sodium
- Terminated the production of phenol-based color developers for thermal paper
- Terminated the production of chlorine-based disinfectant "NISSO HI-CHLON"

Unexpected factors
- Forward buying of agrochemicals due to logistics disruptions after the COVID-19 pandemic
- Record of extraordinary losses due to Noto Peninsula Earthquake
- Termination of production at Mizushima Plant ※
- Shipment adjustments due to increased distribution inventory of agrochemicals



※Decision to close the plant due to difficulties in stable procurement of raw materials, making continued production unfeasible

Review of the Previous Medium-Term Business Plan

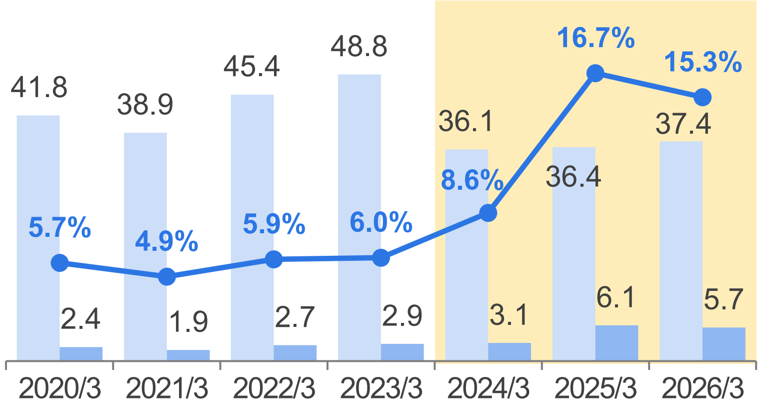
ROIC and ROE Trends

(billions of yen)	2022/3	2023/3	2024/3	2025/3	2026/3	2026/3 remarks
Net sales	152.54	172.81	154.43	155.20	152.09	
Cost of sales	110.43 72.4%	123.53 71.5%	111.73 72.3%	110.26 71.0%	107.06 70.4%	
Selling, general and administrative expenses	30.17 19.8%	32.38 18.7%	28.83 18.7%	28.87 18.6%	30.06 19.8%	R&D expenses increased.
Operating profit	**11.93** **7.8%**	**16.89** **9.8%**	**13.87** **9.0%**	**16.06** **10.4%**	**14.97** **9.8%**	
Notes and accounts receivable-trade	52.51 3.1times	48.78 3.4times	55.02 3.0times	50.14 3.0times	44.15 3.2times	
Inventories	34.86 3.3times	43.97 3.1times	51.73 2.3times	53.42 2.1times	52.96 2.0times	
Notes and accounts payable-trade	21.32 5.8times	19.40 6.1times	22.55 5.3times	20.73 5.1times	14.17 6.1times	
Working capital	66.05 2.4times	73.35 2.5times	84.20 2.0times	82.83 1.9times	82.95 1.8times	
Non-current assets	136.57 1.2times	136.61 1.3times	156.37 1.1times	158.45 1.0times	181.98 0.9times	Construction in progress increased due to growth investments. Investment securities and retirement benefit assets increased.
Invested capital	202.62 0.8times	209.97 0.8times	240.57 0.7times	241.29 0.6times	264.92 0.6times	
Pre-tax ROIC	**5.9%**	**8.0%**	**5.8%**	**6.7%**	**5.7%**	
Share of profit of entities accounted for using equity method	3.06	7.84	6.32	2.70	6.06	
Net Profit	12.68	16.69	16.61	15.01	18.27	
Average equity during period	150.86	162.60	178.65	187.42	195.78	
ROE	**8.4**	**10.3**	**9.3**	**8.0**	**9.3**	

● Consolidated Performance by Segment

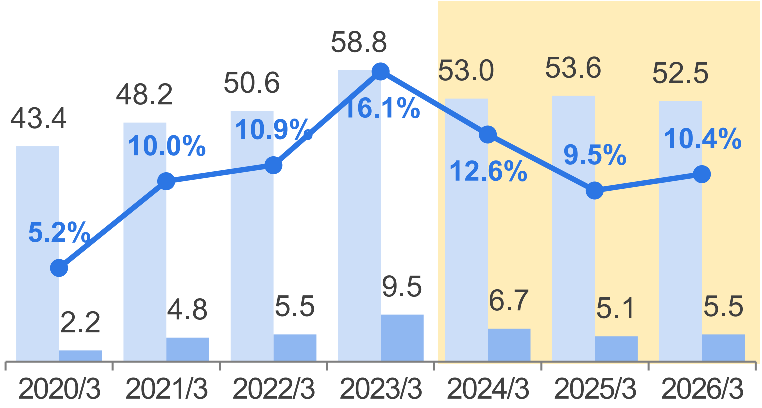
Net sales (billions of yen) Operating profit (billions of yen) Operating Profit Margin

[Chemical Materials]



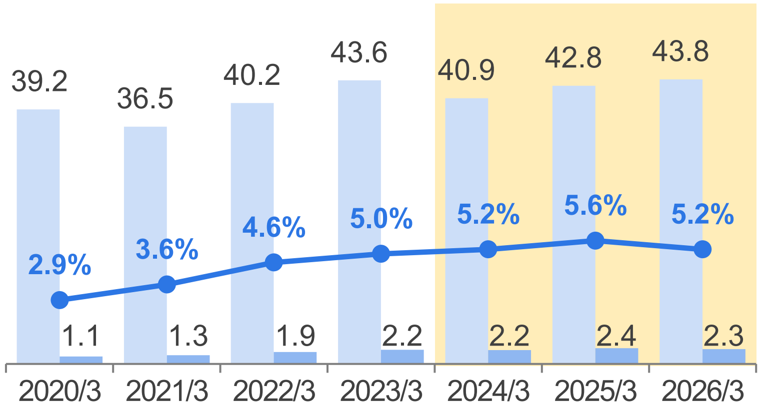
Profit margins improved due to expansion of high-value-added products and restructuring of unprofitable businesses.

[Agri Business]

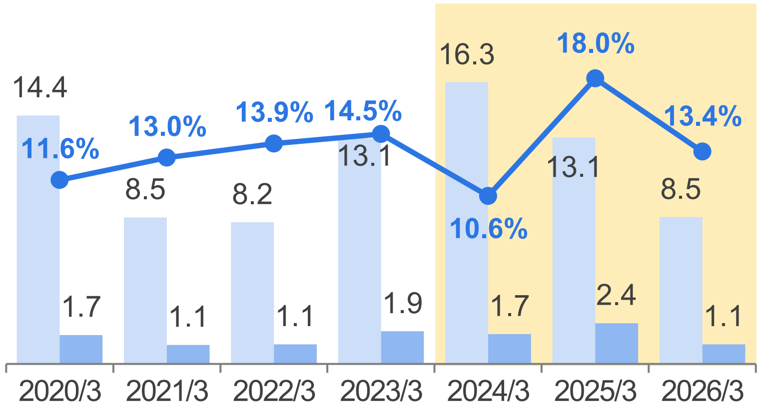


Forward buying of agrochemicals occurred in FY 2023/3-FY 2024/3 due to logistics disruptions after the COVID-19 pandemic; shipment adjustments were implemented due to increased distribution inventory.

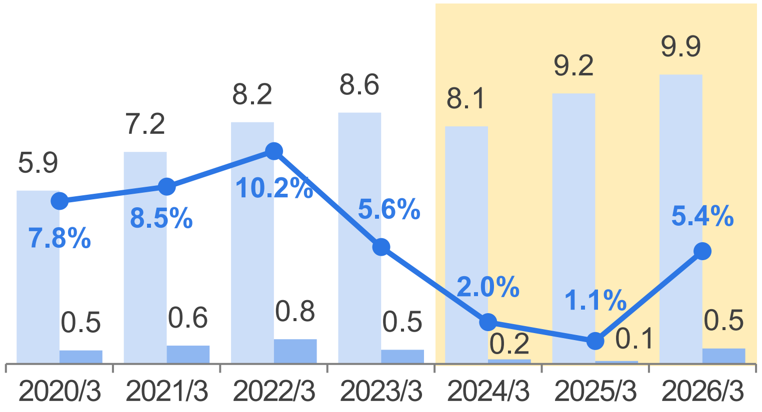
[Trading & Logistics]



[Engineering]

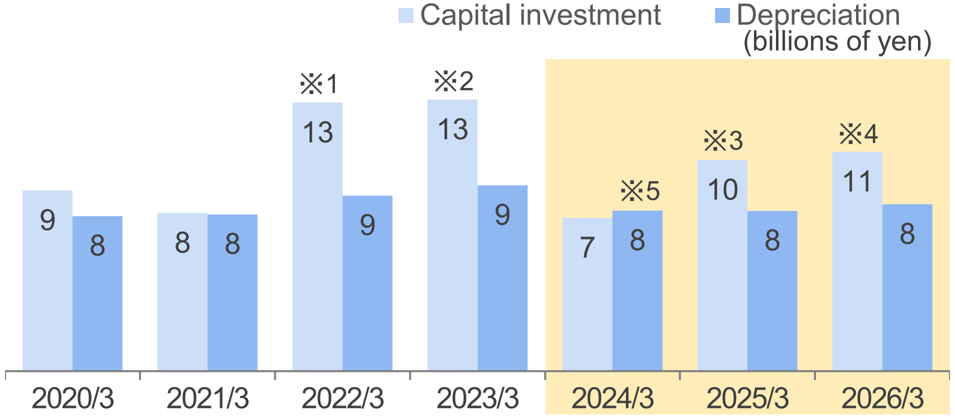


[Eco Solutions]



● Financial Position and Shareholder Return

【Capital investment & Depreciation】



※1 Expanded production facility of pharmaceutical excipient "NISSO HPC" (¥5.0 billion)

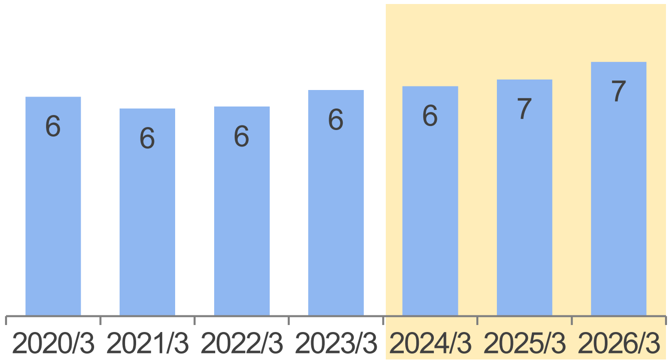
※2 Mass production facility of new fungicide "MIGIWA" (¥5.5 billion)

※3 Expanded production facility of semiconductor photoresist material "VP-POLYMER" (¥2.5 billion)

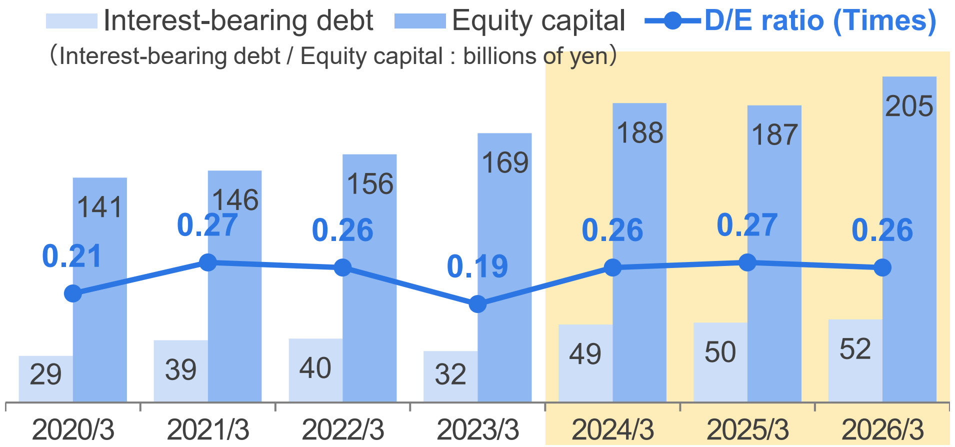
※4 Expanded production facility of pharmaceutical excipient "NISSO HPC" under construction (¥10.0 billion)

※5 Depreciation decreased due to the transfer of shares of Alkaline S.A.S., a consolidated subsidiary manufacturing and selling metallic sodium and chlorine

【Research and development】



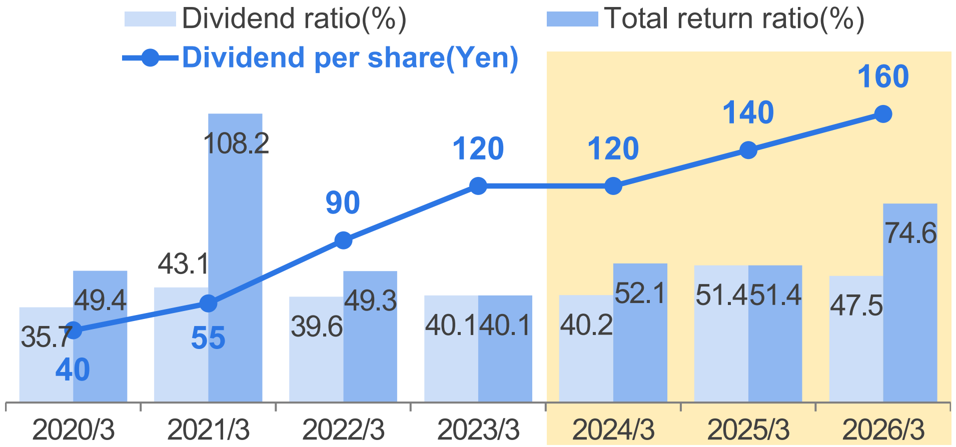
【Financial condition】



※ D/E ratio = Interest-bearing debt / Equity capital*

* Shareholders' equity = Net assets – Non-controlling interests

【Shareholder return】



Treasury Share Acquisitions
- February 2020 - October 2020: ¥5.0 billion
- February 2021 - June 2021: ¥2.0 billion
- November 2023 - March 2024: ¥2.0 billion
- May 2025 - January 2026: ¥5.0 billion
- All acquired shares were cancelled

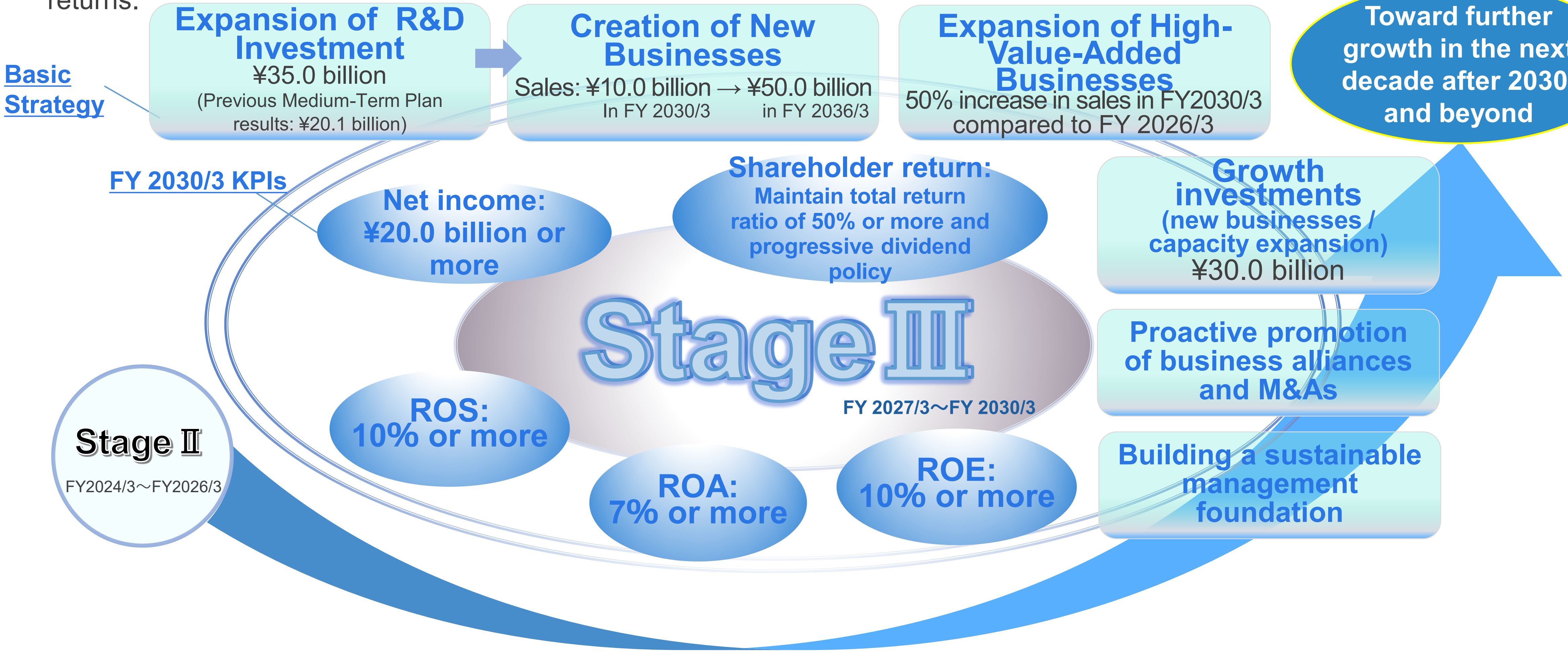
※ Calculated on the basis of reverse stock split implemented on October 1, 2024.

2 Overview of New Medium-Term Business Plan "Brilliance through Chemistry Stage Ⅲ" (FY 2027/3 to FY 2030/3)

Overview of the New Medium-Term Plan "Brilliance through Chemistry Stage Ⅲ"

Basic Objectives

- Transform into a business portfolio that generates stable earnings through expansion of high-value-added businesses and creation of new value and solutions through new businesses.
- Aim to improve capital efficiency through structural reform and growth investments that focus on asset efficiency and shareholder returns.



Overview of the New Medium-Term Plan "Brilliance through Chemistry Stage Ⅲ"

FY 2030/3 KPIs

Net income	**¥20.0 billion** or more Exchange rate assumptions: ¥150/USD, ¥175/EUR
ROS (Operating profit on sales)	**10%** or more
ROA (Operating profit on assets)	**7%** or more (Based on current accounting standards)
ROE (Return on equity)	**10%** or more
Shareholder return	**Total return ratio of 50%** or more **Maintain progressive dividend policy**

Capital Policy

Growth Investment

▶ Implement investments in products and businesses that enhance cash flow generation capability.

- Invest ¥30.0 billion over four years for growth investments including new businesses and capacity expansion, and ¥35.0 billion for R&D.
- Promote business alliances and M&As to enhance and expand existing businesses and peripheral business fields.

Enhancement of Asset Efficiency

▶ Focus on investment efficiency and appropriately control the balance sheet.

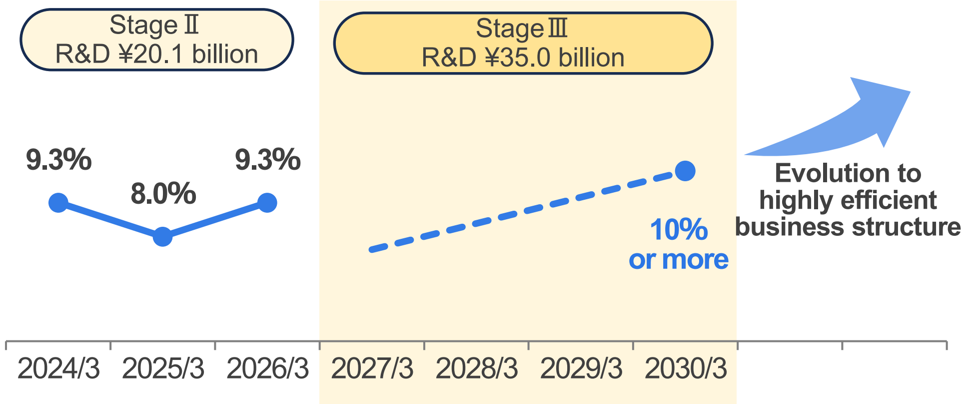
- Liquidate products and businesses with decreased investment efficiency and conduct thorough investment risk assessment.

Shareholder Return Policy

▶ Target total return ratio of 50% or more and flexibly implement treasury share acquisitions as a return policy to complement dividends.

▶ Maintain progressive dividend policy to continue stable dividends.

【ROE Trends】



Although ROE is expected to temporarily decline due to expansion of investments, we will transition to a sustainable growth phase from 2030 onward through the creation of new businesses and full-scale realization of investment effects.

Overview of the New Medium-Term Plan "Brilliance through Chemistry Stage Ⅲ"

Capital Allocation (FY 2027/3 to FY 2030/3, 4-year total)

	Cash In	Cash Out	
Further expansion of high-value-added business. ▶Pharmaceutical excipient "NISSO HPC" ▶Resin additive "NISSO-PB" ▶Photoresist material "VP-POLYMER" ▶Growth agrochemical products: Fungicide "PYTHILOCK," Acaricide "DANYOTE," Fungicide "MIGIWA" Creation of new businesses ▶Animal Health business ▶Organic EL light-emitting material TADF ▶Resin additive "NISSO-PB" new flame-retardant and high heat-resistant grades	**Operating cash flow (before R&D expense deduction)**	**Growth investments (¥30.0 billion)**	-Pharmaceutical excipient "NISSO HPC": Production capacity expansion (1.5 times), completion in 2026. -Organic EL light-emitting material TADF: Targeting completion of dedicated facility and mass production start in 2028. -Automated warehouse for pharmaceuticals and hazardous materials: Expansion of high-value-added cargo handling.
		R&D (¥35.0 billion)	-Animal Health business: Development and launch of supplements, feed, and veterinary pharmaceuticals. First product launch in 2026, sequential introduction of new products thereafter. -Organic EL light-emitting material TADF: Establishment of world's first mass production and stable supply system. -Resin additive "NISSO-PB": Early launch of new flame-retardant and high heat-resistant grades, new high-performance grade development.
		Flexible allocation	-Startup investments: External introduction of focused technologies. -Business alliances and M&As: Enhancement and expansion of existing and peripheral businesses.
		Enhancement of management foundation (¥8.0 billion)	-System development to address 10% workforce reduction by FY2030/3. ▶DX promotion: AI/MI technology enhancement, productivity improvement, quality stabilization, preventive maintenance. ▶Operational standardization and efficiency: ERP package renewal, Group-wide business integration.
Aim for inventory turnover ratio of 4.0 times by FY 2030/3 (FY 2026/3: 2.0 times)	**Reduction of inventories**	**Maintenance and renewal investments (¥35.0 billion)**	-Maintenance and renewal investments: Appropriate evaluation of investment needs and planned implementation. With the smart factory concept in mind, aim for safe and stable production and productivity improvement. -Building optimal production systems: Optimization of resources such as production facilities, production technology, and human resources, achievement of overall optimization.
Aim for net asset ratio of less than 6% by FY 2030/3 (end of March 2026: 11.4%)	**Liquidation of cross-shareholdings**	**Shareholder returns**	-Continue total return ratio of 50% or more. -Maintain progressive dividend policy. (except in cases where external factors significantly negatively impact business performance) -Flexibly implement treasury share acquisitions considering optimization of capital structure and stock price conditions.
Optimize capital structure by enhancing financial leverage	**Interest-bearing debt financing**		

New Medium-Term Plan "Brilliance through Chemistry Stage Ⅲ"
Initiatives toward the Next Long-Term Vision

- **Establish new value and solutions through the deepening and fusion of proprietary technologies and introduction of advanced technologies, leading to the creation of next-generation new businesses.**
- **Build a highly efficient and sustainable business foundation through DX promotion in anticipation of declining working-age population, aiming for enhancement of both corporate value and social value.**

Initiatives toward the Next Long-Term Vision

Expansion of R&D Structure

▶ Significantly strengthen R&D investment, allocating ¥35.0 billion in Stage III.
- Stage I results: ¥17.9 billion, Stage II results: ¥20.1 billion.

▶ Promotion of Open Innovation
- Promote technology introduction in Healthcare and ICT fields, accelerate technology establishment.

▶ DX Promotion
- Utilize Bayesian optimization* application developed and patented by Nippon Soda.
  * An experimental design method that efficiently searches for optimal solutions with fewer trials based on predictive models
- Utilize AI application technology that has grown into platform technology.

Building a Sustainable Business Foundation

▶ In anticipation of a declining working-age population, we will establish systems capable of accommodating a 10% workforce reduction by FY 2030/3 and a 20% reduction by FY 2040/3 (based on personnel numbers at the end of FY 2022/3).
- Invest ¥8.0 billion in DX promotion and business standardization and efficiency improvement.

▶ Allocate ¥35.0 billion for maintenance and renewal investment with a view to realizing the Smart Factory concept.

▶ Promotion of Our Human Capital Management Vision: "Make Employees Brilliant"
- Build a framework that supports each employee in becoming "Brilliant People" through challenge, learn, and applying their knowledge to their work.
- Improve productivity and promote innovation through enhanced employee engagement.

"Ideal State" in the Next Long-Term Vision

Creation of Next-Generation New Businesses

▶ Healthcare Field
- Development and launch of new veterinary pharmaceuticals.

▶ ICT Field
- Development and launch of high-performance "NISSO-PB" (for main resin of copper-clad laminates).
- Development and launch of new electronic materials.

▶ Agri Business
- Development and launch of new insecticide NI-40 and new biological pesticide NR-44.
- Proposal of integrated pest management (IPM) through expansion of biostimulant products.

Promotion of R&D

▶ Improve development speed and success rate through data-driven R&D utilizing AI, MI, and PI*.

* MI (Materials Informatics): A method for exploring and developing new materials using AI and data
* PI (Process Informatics): A method for process optimization, efficiency, and prediction using AI and data

▶ Improve productivity through construction of innovative R&D environment.

Building Highly Efficient Production System

▶ Through DX promotion, transform from experience-based to data-driven operation management.

▶ Build safe and stable production system through preventive and predictive maintenance.

Value Creation Process of the New Medium-Term business plan

Nippon Soda Vision

Since its establishment in 1920, Nippon Soda has provided new value to society through chemistry and contributed to the development of society. The Group supports people's everyday lives by delivering a range of chemical products and services to the agricultural, healthcare, environmental, and ICT fields.

Nippon Soda Mission (Value Creation Process)

Create new value through the power of chemistry and realize increased corporate value through our contributions to society.

Megatrends

Population Growth **Global Warming**	Increase in food and feed production. Improvement of efficiency of agricultural production. Increase of crop pests.
Improvement in Living Standard **Social Security Cost Issues**	Increased demand for pharmaceuticals Improved QOL. Increasing health consciousness. Awareness of preventive medicine.
Achievement of a Sustainable Society	Reduction of environmental burdens. Building the resource recycling-based society.
Progress in Information and Communication Technologies	Popularization of smart devices. Rising needs for technological innovation.

The Value Provided by Nippon Soda Group (Material Issues for Increasing Corporate Value)

Agriculture Securing food and sustainable agriculture	- We are contributing to global food supply by creating new agrochemicals in response to more sophisticated safety requirements and by proposing Integrated Pest Management (IPM) that combines chemical pesticides, biological pesticides, biostimulants, and cultural control methods. - Anticipating the streamlining of agricultural production, we are supporting labor-saving in crop protection and the production of high-quality agricultural products using ICT.
Healthcare Healthy life to all people	- The cellulose derivatives provided by the Group are widely used in Japan and overseas as a binder in pharmaceutical tablets to make them easier to take. - We provide technology in the form of food processing methods that makes supplements easier to take. - We contribute to human health through the creation of high-performance products and support services for formulation technologies.
Environment Toward resource recycling society	- We are developing various environmental solutions by making industrial waste harmless and safe, such as through fluorocarbon destruction processing, and utilizing technologies for recycling resources, such as zinc and sulfuric acid, and water treatment technologies, etc. - We contribute to the realization of a safe, ecological society using the knowledge and experience that we have accumulated.
ICT Chemical functions to IT devices	- The needs for new materials are increasing as demand is increasing for chemicals used for semiconductors and circuit boards due to faster and higher-capacity telecommunications, and the spread of smart devices, electric vehicles (EVs), and autonomous driving technologies. - We leverage our polymerization and organic synthesis technologies to provide CCL for next-gen telecom/generative AI and semiconductor materials for AI HBM.

Action Plan of the New Medium-Term Business Plan - Chemical Materials ① -

- **Aim for further expansion of high-value-added businesses in the Healthcare fields, where materiality has been identified for the Nippon Soda Group.**

- **Healthcare Field**

-Expand sales of pharmaceutical excipient "NISSO HPC" targeting the pharmaceutical and supplement markets.
-Aim to maximize the value provided by responding to increasingly sophisticated quality requirements and pharmaceutical formulation technology support services.

Increasing Production Capacity

▶ Increase production capacity to 1.5 times (completion in 2026) under soaring demand.
- Realize efficient production of diverse grades tailored to customers' needs.
- Promote Global Account Management (GAM) with major pharmaceutical companies to expand sales following capacity increase.

Enhance Peripheral Business for Excipients

▶ Support value addition of final products such as tablets with excellent rapid solubility and disintegration.
▶ Launch and expand sales of a new grade for tablet coating base applications and a proprietary new low-viscosity grade.

Promote Medium- to Long-Term Business Expansion

▶ Provide high functionality that meets customers‘ needs through pharmaceutical formulation technology support services utilizing "CTAC*," which is a collaborative facility where we jointly create new value for "NISSO HPC" with customers.
▶ Promote development of high-value-added new applications such as for bio-injectable formulations and solubility enhancers for poorly soluble active pharmaceutical ingredients.

*CTAC: Cellulose Technical Application Center (Ichihara City, Chiba Prefecture; Duesseldorf, Germany)

Pharmaceutical Excipient "NISSO HPC" (Hydroxypropyl Cellulose)

Application	- Binder for shaping tablets for pharmaceuticals and supplements. - Thickener for food, personal care and industrial applications.
Features/ Properties	- **Possesses high functionality,** such as binding strength, moisture resistance, and sustained-release properties. - One of the few excipients soluble in both water and alcohol, and it offers customers a wide choice of options for pharmaceutical manufacturing methods.
Market Trends	- Barriers to entry are significantly high, due to the extremely high level of quality management required. - **Demand is increasing with the expansion of pharmaceutical and supplement markets.**
Outlook	- The global pharmaceutical market is expected to grow in the medium to long term, with demand expanding in emerging markets, such as India and China. ▶**Expand share** through technical services using local staff. - **Differentiation through development and launch of proprietary grades.** ▶Enabling higher active ingredient content for smaller tablets, tableting of difficult-to-form materials, and reduced dosing frequency with excellent sustained-release properties.

- **Sales Trends of "NISSO HPC"** (Indexed with FY2001/3 sales as 100)

※ Sales forecasts from FY 2027/3 onward are on a real growth basis (excluding exchange rate and inflation factors)

Action Plan of the New Medium-Term Business Plan - Chemical Materials ② -

● Aim for further expansion of high-value-added businesses in the ICT fields, where materiality has been identified for the Nippon Soda Group.

● ICT Field

-Expand sales of resin additive "NISSO-PB" and photoresist material "VP-POLYMER."
-Promote development and sales expansion of functional polymers for advanced electronic materials.

Resin Additive "NISSO-PB" and Functional Polymer "1,2-SBS"

▶ Sales Expansion of Resin Additive "NISSO-PB".
-Launch new flame-retardant grades and new high heat-resistant grades for AI copper-clad laminates (CCL).
-Utilize excellent characteristics such as water resistance and chemical resistance and aim for adoption in new applications.

▶ Develop new high-performance grade PB that combines all key CCL characteristics (low dielectric properties, high heat resistance, copper foil adhesion, low expansion) at high levels, aiming for adoption as main resin.

▶ Sales Expansion of Functional Polymer "1,2-SBS".
-Contains higher proportion of 1,2-vinyl groups compared to existing SBS, with excellent low dielectric properties, heat resistance, and copper foil adhesion, aiming for expanded adoption in CCL for next-generation telecommunications and generative AI.

Semiconductor KrF Photoresist Material "VP-POLYMER"

▶ Considered high quality through production methods utilizing proprietary polymerization technology, expecting demand expansion exceeding market growth as a material that responds to increasingly sophisticated quality requirements for semiconductors.

▶ Sales expanding for AI-related HBM (High Bandwidth Memory) in addition to automotive semiconductors and conventional memory; expanded production system already established to respond to further demand increase.

▶ Monitor and accurately respond to trends toward domestic supply chain construction in each country.

Resin Additive "NISSO-PB" (Liquid Polybutadiene)

Application	-Resin modifiers, electronic materials, adhesives, paints. -**Growing for copper-clad laminates (CCL)** due to electrical insulation properties.
Features/ Properties	-**Proprietary liquid polybutadiene** obtained through living anionic polymerization, which is the Company's core technology. -Excellent water resistance, chemical resistance, electrical properties, and heat resistance.
Market Trends	-Several suppliers manufacture the product, each offering versions with different properties. -Our products have high 1,2-vinyl group content, high reactivity, and excellent storage stability.
Outlook	-Demand for CCL in next-generation telecommunications market is expanding. ▶**Low dielectric properties** enable high-speed, high-capacity communication; **high heat resistance and flame retardancy** prevent thermal deformation caused by high-speed information processing and suppress combustion. -Demand is expected to expand in the field of next-generation ICT electronic materials.

● Combined Sales Trends of "NISSO-PB," "1,2-SBS," and "VP-POLYMER" (Indexed with FY2001/3 sales as 100)

※ Sales forecasts from FY 2027/3 onward are on a real growth basis (excluding exchange rate and inflation factors)

Action Plan of the New Medium-Term Business Plan - Chemical Materials ③ -

● Aim to create businesses with sales of ¥10.0 billion in FY 2030/3 and ¥50.0 billion in FY 2036/3 through the launch of Animal Health business and organic EL light-emitting materials.

● New Businesses

-Launch Animal Health products (supplements, feed, veterinary pharmaceuticals).
-Establish mass production and stable supply system for organic EL light-emitting material TADF.

Animal Health Business

▶ Develop and launch new products including supplements, feed, and veterinary pharmaceuticals through joint development with startups.
-Enter the Animal Health business based on synthesis and evaluation technologies cultivated in agrochemical development.
-Launch first product in 2026, followed by sequential introduction of various new products.
▶ Strengthen technology and business foundations through building collaborative systems with global major Animal Health companies, investments in and M&As of Animal Health and pharmaceutical business companies and startups.
▶ Promote development of new veterinary pharmaceuticals through collaboration and joint development with universities.

Organic EL Light-Emitting Material TADF
(Thermally Activated Delayed Fluorescence; developed by Kyulux, Inc.)

▶ New material that does not use any rare metals essential to current organic EL material technology.
-Key to lower cost and higher efficiency of organic EL.
▶ Establish the world's first mass production and stable supply system for TADF through collaboration between synthesis technologies cultivated in agrochemical development and ICT material development know-how.
-Aim for production start in 2027 and completion of dedicated facility and start of mass production in 2028.
-Respond to expanded adoption of TADF in various devices.

Collaboration with Startups

SENTAN Pharma Inc. (Capital and business alliance)	Drug discovery venture with proprietary nano/micro particle technologies. ▶ **Nanoparticle technology**: Improve solubility and absorption, reduce dosage. ▶ **Microparticle technology**: Sustain drug efficacy for long periods with single administration. ⇒ Acquisition of microparticle formulation manufacturing technology.
KAICO Inc. (Joint R&D)	Bio-venture with proprietary protein expression technology. ▶ **Silkworm-baculovirus expression system**: Express target proteins in silkworm bodies to develop pharmaceuticals and vaccines. ⇒ Aim to develop and provide proteins necessary for veterinary pharmaceuticals for specific diseases that are difficult to produce with other expression systems.
MabGenesis Inc. (Joint research)	Biopharmaceutical startup conducting research and development of antibody pharmaceuticals. ▶ Possesses **high-efficiency monoclonal antibody isolation technology** ⇒ Aim to create new monoclonal antibody pharmaceuticals for dogs and cats.
Kyulux Inc. (Capital and business alliance)	Startup developing **next-generation organic EL light-emitting materials.** ⇒ The Company implements process development and capital investment to establish mass production process for producing high-quality TADF at low cost.

● Roadmap of New Businesses

Animal Health 1st Product Launch	Organic EL TADF Production Start	TADF Dedicated Facility Completion/ Mass Production Start	Sales of New Businesses ¥10.0 billion	Sales of New Businesses ¥50.0 billion
FY 2027/3	FY 2028/3	FY 2029/3	FY 2030/3	FY 2036/3

Action Plan of the New Medium-Term Business Plan - Agri Business ① -

● **Promote global expansion of growth products while implementing measures to maintain and expand sales of existing products and improve profitability.**

● Promotion of Global Expansion of Growth Products

Fungicide "PYTHILOCK"
New mode of action, effective against existing fungicide-resistant fungi.
- ▶ Expand sales for North American seed treatment agents, promote development in Asia, commence sales in Europe.

Acaricide "DANYOTE"
New mode of action, fast efficacy and effective against spider mites that are resistant to existing acaricides.
- ▶ Expand sales for Japan and South Korea, promote development in Asia.

Fungicide "MIGIWA"
New mode of action, wide range of applicable crops and diseases.
- ▶ Expand sales for U.S. and Brazil, aim for registration acquisition and early sales start in Europe.

● Maintenance and Expansion of Sales of Existing Products

Promote measures to expand applications and for generic competition and maximize profits.

Insecticide "MOSPILAN"
Excellent efficacy with minimal impact on beneficial insects.
- ▶ Maintain European market share that expanded due to expiration of registration of competing agents.
  Promote sales strategies anticipating trends in generic products and manufacturing cost reduction measures.

Fungicide "TOPSIN-M"
Used as a mainstay agent with high safety.
- ▶ Differentiate from generic products by developing mixed formulations.

Fungicide "PANCHO"
Excellent efficacy against powdery mildew on various crops.
- ▶ Commence sales in China (concluded strategic alliance with local manufacturer), expand sales for Europe and Oceania.

Agri Business Development and Expansion Strategy

-Product development focused on **insecticides/acaricides and fungicides for fruits and vegetables**
- ▶ **Competition with overseas majors and generic agrochemicals is more moderate** compared to grain market.
- ▶ Less competition with genetically modified (GM) seeds.
- ▶ R&D-type agrochemical manufacturers are largely limited to the five overseas majors and Japanese agrochemical manufacturers; while Japanese companies are smaller in scale, their presence in new agent development is high.

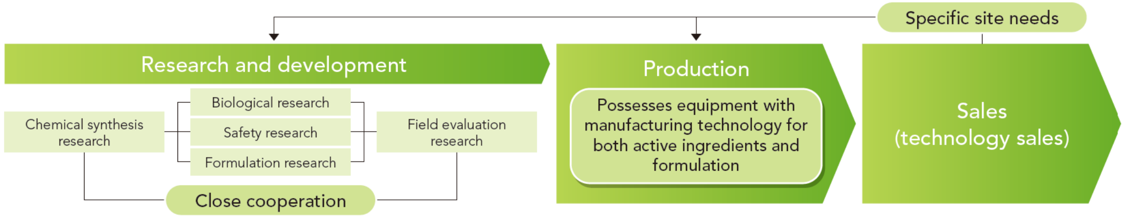
-Promote application expansion of existing agrochemicals to grains for cost reduction through economies of scale and **differentiate from generic agrochemicals** through development of mixed formulations.

-Promote global sales expansion through the Group's overseas sales network and supply of active ingredients to overseas majors.

Strength of Nippon Soda Group (1) (Development of New Agrochemical)

Established **an integrated R&D structure** that allows us to undertake chemical synthesis research, biological research, safety research, formulation research, and field evaluations; production covers both active ingredient manufacturing and formulation **within our Group.**

【Value Chain of Nippon Soda Group Agri Business】



Action Plan of the New Medium-Term Business Plan - Agri Business ② -

- **Strengthen response to integrated pest management (IPM) and smart agriculture, and work to strategically expand agriculture-related peripheral fields.**
- **Promote development of new agrochemicals.**

Strategic Expansion to Agriculture-Related Fields

Response to Integrated Pest Management (IPM)

▶ Promote development and sales of biological pesticides, natural pesticides, and biostimulants.
Absorb and merge Nisso Green Co., Ltd., which sells biological pesticides, biostimulants, and agricultural materials for non-agricultural land and provides technical services, on October 1, 2026.
⇒ Aim for further promotion of IPM through mutual complementation of chemical and non-chemical pesticides.

Response to Smart Agriculture

▶ Expand sales of seed treatment which contributes to low environmental burden and labor savings in farmwork.
Use less than broadcast application, contributes to user safety through reduced pesticide exposure.
▶ Promote the registration of drone-applied agrochemicals for field crops, vegetables, and fruits.

Development of New Agrochemicals

New Insecticide NI-40

New mode of action, broad-spectrum insecticide effective against wide range of pests.
▶ Domestic registration application planned during Stage III period.

New Biological Pesticide NR-44

Can be used until immediately before harvest.
▶ Domestic and overseas registration applications planned during Stage III period.

Strength of Nippon Soda Group (2) (Expanding Applications of Existing Products)

- Achieved **long-term and further sales expansion** by diversifying product usages, applicable pests, and crops to address newly problematic pests and diseases, and by progressively gaining registrations in multiple countries.
  ▶ **Promoting sales expansion by widening the scope of application from fruits and vegetables to grains.**
  ▶ Damage from pests and weeds to agricultural crops is increasing due to rising average temperatures associated with global warming.
  ⇒ Promote application expansion by understanding situations in detail by region and crop.
- **Possess know-how that promotes registration acquisition and application expansion accurately and quickly** considering registration systems, safety standards, climate, and environmental issues that differ by country.
  ▶ Insecticide "MOSPILAN" is the only product in its class to clear re-registration in EU.
  ⇒ Enjoy residual profits due to expiration of registration of competing agents.

Initiatives of Nippon Soda Group: (Response to IPM and Smart Agriculture)

- **The biological pesticide "MASTERPIECE"** developed by the Company is suitable for JAS certification systems such as reduced-pesticide cultivation and pesticide-free cultivation, and **holds the top domestic market share for biological pesticides (fungicides) for fruits and vegetables.**
- Developing smoking agents for agricultural greenhouses**, holding a large share in the agricultural smoking agent market.**
  ▶ **Contributes to labor-saving and efficiency of farmwork** as active ingredients spread throughout the greenhouse without human contact with the agent, providing uniform control effect.

Nippon Soda's smoking agents for agricultural greenhouses

Action Plan of the New Medium-Term Business Plan - Trading & Logistics -

- **Enhance the corporate value of the entire Group by promoting business activities that utilize strengths.**
- **Work to efficiently use the Group's management resources by strengthening cooperation between each of the Group companies.**

Trading

Increase the value we offer through global procurement and enhancement of the sales network and aim to be the only one expert by acquiring knowledge and developing businesses in unique fields.

Business Enhancement in Four Strategic Fields

- ▶ Agriculture: Global procurement of agrochemical raw materials, sales expansion of functional feed additives.
- ▶ Healthcare: Establish sales expansion system for pharmaceutical excipients, expand sales of imported products for pharmaceuticals and agrochemicals.
- ▶ Environment: Expand sales of environmentally friendly materials and environmental sanitation products that contribute to improving living environment.
- ▶ ICT: Respond to domestic supply chain construction in Asian countries. New application development.

Promotion of Overseas Expansion

- ▶ Promote overseas expansion centering on India and Asia.
- ▶ Expand business from both procurement and sales perspectives (global procurement, expansion of three-country transactions).

Expansion of New Businesses

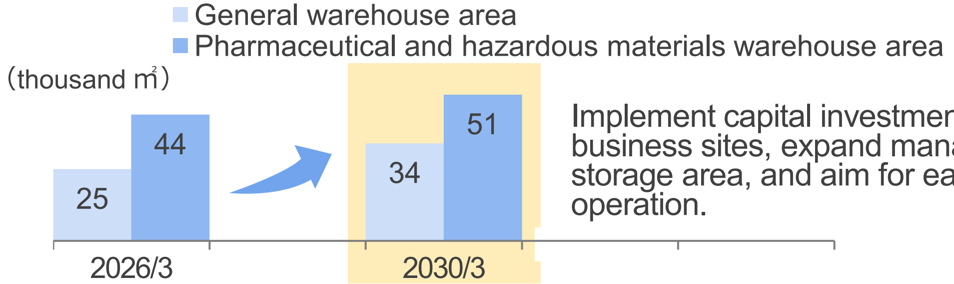
- ▶ Cultivate new businesses in social infrastructure maintenance materials field.
  Entered infrastructure reinforcement construction field for roads and bridges in 2025, now in full-scale expansion.
- ▶ New application development of high-performance materials.
  - Demand for flame-retardant fiber "PANOLA" expands (already adopted in small LiB, expanding to medium and large LiBs).
  - New application development of heat transfer medium "NYBRINE" for data centers, etc.

Logistics

Provide high-quality comprehensive logistics services specialized in hazardous items, toxic materials, and pharmaceuticals.

Expansion of High-Value-Added Cargo Handling Volume

- ▶ Implement investment in new automated temperature-controlled warehouses for pharmaceuticals and hazardous materials, and automated rack warehouses.



Implement capital investment at multiple business sites, expand managed storage area, and aim for early full operation.

Expansion of Uniqueness and Added Value

- ▶ Improvement of Profitability
  - Expand handling volume of high-value-added cargo (hazardous items, toxic materials, pharmaceuticals and pharmaceutical raw materials).
  - Expand uniqueness and added value through comprehensive logistics services including distribution processing.
- ▶ Operational Efficiency
  - Improve labor productivity through DX promotion and automation, promote transition to robotics in anticipation of declining working-age population.

Action Plan of the New Medium-Term Business Plan - Engineering and Eco Solutions -

- **Enhance the corporate value of the entire Group by promoting business activities that utilize strengths.**
- **Work to efficiently use the Group's management resources by strengthening cooperation between each of the Group companies.**

Engineering

Establish a firm position as a fine-chemical-type engineering company that accurately responds to customers' needs, which are becoming more sophisticated and diverse.

Drive Technology Differentiation and Expand Business Field

- ▶ Deepen core technologies
  - Powder handling, pharmaceutical manufacturing (GMP/validation), reaction/distillation.
- ▶ Utilization of proprietary equipment and technologies, development and promotion of new technologies.
  - Milli-scale chemical reaction devices, flow synthesis systems, energy saving

Enhancement of Competitiveness

- ▶ Utilize strong project management capabilities as an EPC* engineering company.
- ▶ Realize higher-value facilities through customer-oriented response and value proposals.

* EPC: Engineering, Procurement, and Construction on a lump-sum turnkey basis

Expansion of Business Field

- ▶ Focus areas: Life sciences (pharmaceuticals and health foods), functional materials and ICT, environment.
- ▶ Labor saving, automation, continuous production (expansion of milli-reactor introduction, flow synthesis).
- ▶ Support for introduction of preventive maintenance equipment, support for energy-saving measures.
- ▶ Collaboration with general contractors.

Eco Solutions

Contribute to forming a circular society through environmental solutions based on waste treatment technology, metal refining technology, and chemical manufacturing technology.

Environmental Development Business

- ▶ Expansion of profitability in waste treatment business utilizing high-difficulty waste treatment technology.
- ▶ Promotion of reduction in final landfill disposal volume and processing costs through monetization of waste.

Non-Ferrous Metal and Resource Recycling Business

- ▶ Recover zinc from electric furnace dust generated in the electric furnace industry and produce distinctive zinc and aluminum-based alloys that respond to technological innovation in the machinery, electrical, and automotive industries.
- ▶ Sales expansion of in-house developed and proprietary products.
  - BERIC: Zinc alloy with the highest level of strength among alloys and excellent wear resistance
  - A-1: High-strength, wear-resistant aluminum alloy with high zinc content

Industrial Chemicals Business

- ▶ Utilize the only waste sulfuric acid recycling facility in eastern Japan to regenerate into various sulfuric acid products.
- ▶ Sales expansion of sulfuric anhydride "NISSO SULFAN," the only product manufactured and sold in Japan.
  - Widely used in synthetic detergents, petroleum refining, pharmaceuticals, dyes, etc.
- ▶ Creation of new business: Recycling of sulfuric acid for semiconductor cleaning.

Action Plan of the New Medium-Term Business Plan
- R&D, Production Technology, and DX Promotion -

- **Steadily execute research and technology strategy "Brilliance through Chemistry 2030." Significantly increase R&D investment.**
- **Build a highly efficient production system through continuation of safe and stable production and streamlining and labor-saving of operations in anticipation of declining working-age population.**
- **Aim for transformation to a highly efficient business structure, achieving DX by utilizing AI-related patents and digital technologies.**

Research and Technology Strategy "Brilliance through Chemistry 2030"

Create new value and solutions through the establishment and sophistication of core technologies.

Target Domains for New Businesses

▶ "Healthcare": Provide solutions in healthcare fields for people and animals.
▶ "Advanced Materials": Development of next-generation ICT materials, contribution to achieving carbon neutrality.

Strengthening Platform Technologies and Focused Technologies

▶ Strengthen and cultivate platform technologies based on proprietary resources and technologies that we own.
- Platform technologies: Precision synthesis technology, agrochemical creation technology, bio-resource utilization technology, functional polymer creation technology, AI application technology.
- Strengthen and expand the four focused fields (Agriculture, Healthcare, Environment, ICT).

▶ Proactively promote the introduction of external technologies and work to create new value.
- Focused technologies to strengthen: Bio-manufacturing, flow synthesis technology, cellulose application technology, advanced purification technology, semiconductor/substrate material technology, PI/MI technology.

Expansion of Investment toward Creation of Next-Generation New Businesses

▶ R&D investment: ¥35.0 billion (Stage I results: ¥17.9 billion, Stage II results: ¥20.1 billion).
- Development of new agrochemicals: Promote development of new insecticide NI-40 and new biological pesticide NR-44.
- Animal Health business: Promote development of pet supplements and veterinary pharmaceuticals.

Building a Highly Efficient Production System

Continuation of Safe and Stable Production

▶ Eliminate troubles caused by human error through digitalization.
▶ Foster a culture of maintaining clean factories and improve sensitivity to safety.

Consideration of Optimal Production System

▶ Consider and investigate various factors including personnel, supply chain, and climate change.

Nippon Soda DX Vision "Brilliance through Digital"

Promote transformation to a highly efficient business structure by utilizing proprietary AI-related patents.

Smart Factory / Production Reform

▶ Productivity improvement, quality stabilization, strengthening of preventive maintenance.
- Digitization of existing operations, cultivation of DX mindset.

Smart Lab / Research Reform

▶ Strengthen competitiveness through sophistication of R&D.
- Performance improvement through AI and data-driven R&D, evolution to next-generation laboratory.

Smart Office / Business Reform

▶ Build digital information infrastructure including ERP package renewal and standardize operations.

Action Plan of the New Medium-Term Business Plan
- Human Capital Management -

- **Promote the Human Capital Management Vision "Make Employees Brilliant" in alignment with management strategy.**
- **In anticipation of the decline in the working-age population, establish a framework by FY 2030/3 that can accommodate a 10% reduction in personnel (based on personnel numbers at the end of FY 2022/3).**

Human Capital Management Vision: Make Employees Brilliant

Build a framework that supports each employee in becoming "Brilliant People" through challenge, learning, and applying their knowledge to their work.

Talent Development through CLA Evaluation

- ▶ Clarified the nine competencies required to execute and achieve management strategy as our proprietary "CLA Evaluation," utilized for talent development, competency assessment, and compensation decisions.
  - CLA : Challenge, Learn, Action
- ▶ Promote reskilling. Deploy employees to growth businesses and priority areas.

Enhancement of Employee Engagement

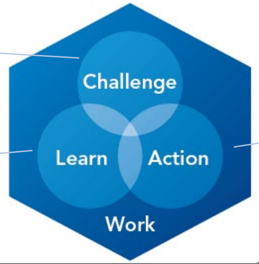
- ▶ Continuously monitor employee engagement status and formulate/implement improvement measures
- ▶ Promote diversity and create workplaces that give employees fulfillment and pride.
- ▶ Establish various systems aimed at improving work-life balance.

DX Promotion

- ▶ Measures to address the decline in working-age population
  - Promote standardization and efficiency of operations, aiming for business integration including group companies.
  - Promote data preparation to support advanced AI and the construction/operation of data utilization infrastructure.
- ▶ Development of talent to promote Nippon Soda DX Vision 2.0: "Brilliance through Digitalization"
  - Create highly specialized DX talent and enhance DX literacy among all employees.

HR Policy: Fostering Brilliance through Chemistry

- We define "good people" from founder Tomonori Nakano's words "good people doing good work" as "Brilliant People" who possess the brilliance to contribute to the execution and achievement of our long-term vision.
- By supporting employees in "Challenge (C)," "Learn (L)," and "Action (A)," we build a foundation where each person becomes a "Brilliant Person" and can feel excited and inspired about the future.



Try again and again, enjoy the challenge
The work in front of you becomes "brilliant"

Learn things that spark your interest
As your abilities grow, the path ahead becomes "brilliant"

As brilliance overlaps, "work" as a whole becomes brilliant, and you become a "Brilliant Person"

Apply what you've learned to your work
Your own and your colleagues' "brilliance" spreads, creating a "chemical" reaction around you

KPIs for Monitoring Human Capital Management

- Ratio of women, foreign nationals, and mid-career hires among regular employees : 50% or more
- Retention rate for the first 3 years after joining : 95% or more
- Turnover rate : 3% or less per year
- Male employees' childcare leave acquisition rate : 70% or more
- Generative AI active user rate : 100% by FY 2030/3
- eNPS* : -50.0 or above

* eNPS : An index that quantifies employee engagement, including employees' trust and attachment to their workplace.

Action Plan of the New Medium-Term Business Plan
- Response to Climate Change -

- **Aim to realize a sustainable society and enhance corporate value by reducing the environmental burden arising from business activities and continuously developing our businesses.**
- **Work on global warming prevention, building a circular society, reduction of industrial waste, and conservation of biodiversity.**

Response to Climate Change

Initiatives toward Achieving Carbon Neutrality by 2050

▶ Reduction of Greenhouse Gas (GHG) Emissions
- Introduce highly efficient and energy-saving equipment when updating facilities.
- Streamline and save labor in production processes, implement power-saving measures.

▶ Utilization of Renewable Energy
- Purchase electricity derived from renewable energy.
- Utilize solar power generation systems and in-plant hydroelectric power generation.


Small hydropower facility at the Nihongi Plant

▶ Promotion of Energy Saving in Supply Chain
- Modal shift (switch from dedicated truck transport to rail transport).
- Reduce transport frequency through larger transport containers, change logistics routes.

Promotion of Resource Circulation

▶ Resource conservation and maximization of resource efficiency, promotion of recycling.

▶ Identification and management of water risks, reduction of water consumption, development of products and technologies that consider water resources.

Reduction of Industrial Waste

▶ Reduce final landfill disposal volume through reduction and recycling of industrial waste emissions.

▶ Continue to achieve zero emissions* and aim for reduction of environmental burden and circular society

* Zero emissions: State where the ratio of final landfill disposal volume to industrial waste transfer volume is 2% or less

Nippon Soda Group's Initiatives
Response to Pest Increase Due to Global Warming

- Control of Invasive Alien Species "Red-Necked Longhorn Beetle"

▶ Larvae burrow into trees such as cherry, plum, and peach, eating the inside of trees, and affected trees eventually die, causing landscape deterioration from felling of cherry trees and serious agricultural damage.

▶ Due to global warming and milder winters, the species can now survive winter, and damage is spreading nationwide.

▶ Nippon Soda's **insecticides "MOSPILAN" and "MATSU GREEN"** show excellent efficacy against red-necked longhorn beetle; in response to prefectural requests, we urgently expanded applicable crops and obtained registration, **contributing greatly to pest control** and maintaining and preserving healthy and diverse ecosystems.


Red-Necked Longhorn Beetle


Larval damage by red-necked longhorn beetle

KPIs for Monitoring Response to Climate Change

- Reduction of Nippon Soda Group Greenhouse Gas (GHG) Emissions
  Scope 1 and Scope 2: Reduce by 42% or more compared to FY 2023/3 by FY 2031/3
  Scope 3: Reduce by 25% or more compared to FY 2023/3 by FY 2031/3
- Transition to renewable energy:
  Replace 59% of electricity used with renewable energy-derived electricity by FY 2031/3
- Reduction of industrial waste final landfill disposal volume: Continue 3% annual reduction
- Continue zero emissions

3 Reference Materials

Business Details

Overview of the Business Group

Reference Materials: Business Details

(Billions of yen)	Net sales 2023/3	Net sales 2024/3	Net sales 2025/3	Net sales 2026/3	Main Products, etc.
Chemical Materials	48.79	36.06	36.44	37.41	
Industrial chemicals	11.94	11.31	10.45	9.26	Caustic soda, Liquid chlorine, Hydrochloric acid, Sodium cyanide, Potassium cyanide, Phosphorus oxychloride, and Phosphorus trichloride
Fine chemicals	10.74	9.23	10.77	11.65	Metallic sodium, Specialty isocyanates, Alcoholate, Organic titanate, Color developers for thermal paper, and Secondary battery materials
Specialty chemicals	7.05	6.49	7.32	8.21	NISSO-PB, VP-POLYMER, 1,2-SBS, and TITABOND
Eco-business	5.14	5.58	5.64	4.69	NISSO HI-CHLON, NISSO MELSAN, TAKE-ONE, HIDION, Slime removing agents, and BISTRATOR
Pharmaceuticals & industrial fungicides	11.15	11.53	13.06	14.71	NISSO HPC, Faropenem-sodium antibiotic, NISSO SSF, BESTCIDE, BIOCUT, MILLCUT, and NISSOCOAT
Subsidiaries sales, elimination of transactions	2.77	(8.08)	(10.81)	(11.11)	
Agri Business	58.76	53.04	53.59	52.50	
Fungicides	24.14	23.94	24.44	23.23	TOPSIN-M, BEFRAN, BELLKUTE, PYTHILOCK, TRIFMINE, PANCHO, MIGIWA, AGRI-MYCIN, AGROCARE (biological pesticide), MASTERPIECE (biological pesticide), FANTASISTA, MONSIEUR BORDEAUX, and LABILITE
Insecticides/ acaricides	24.21	22.52	17.36	18.85	MOSPILAN, NISSORUN, DANYOTE, ROMDAN, GREENGUARD, KOTETSU, and PHOENIX
Herbicides	3.30	3.18	3.46	3.28	NABU, TOPMERIT, CONCLUDE, and ALPHARD
Others	(0.25)	(0.40)	(0.30)	(0.27)	Fumigants
Subsidiaries sales, elimination of transactions	7.35	3.80	8.63	7.41	
Trading & Logistics	43.63	40.90	42.82	43.81	Trading : Chemicals, functional products, synthetic resins, industrial devices, and construction-related products Logistics : Warehousing and transportation services
Engineering	13.08	16.34	13.14	8.52	Plant construction, and civil engineering and construction
Eco Solutions	8.56	8.09	9.21	9.86	Waste treatment and resource recycling
Total	172.81	154.43	155.20	152.09	

※ Segment classification is revised from FY 2024/3. The above sales results are calculated based on the new segment classification.
Integrated Trading with Transportation & Warehousing which were the conventional segments, and Others was renamed to Eco Solutions, some products were transferred to Chemical Materials.

Reference Materials: Overview of the Business Group (As of April 1, 2026)

Company name	Business activities	Segment
Nippon Soda Co., Ltd.	Manufacturing, processing and marketing of industrial chemicals, synthetic resin and other plastic materials, dyes, pharmaceuticals, agrochemicals, veterinary pharmaceuticals, and various other kinds of chemical industrial products.	Chemical Materials and Agri Business
Consolidated subsidiaries (12)		
Nisso Shoji Co., Ltd.	Domestic sales, export and import of chemicals, functional products, synthetic resins, industrial devices, construction-related products, etc.	Trading & Logistics
Sanwa Soko Co, Ltd.	Warehousing, transportation, packaging, customs brokerage, insurance agency services, and leasing.	Trading & Logistics
Sanso Unyu Co., Ltd.	Freight trucking and transportation business, and cargo transportation handling business.	Trading & Logistics
Nisso Metallochemical Co., Ltd.	Manufacturing and sales of non-ferrous metals and industrial chemicals, and environmental development business.	Eco Solutions
Nisso Engineering Co., Ltd.	Integrated planning, design, construction management, sales and consulting for industrial and other types of facilities and equipment, machinery, piping, civil engineering, construction, etc.	Engineering
Nisso Kensetsu Co., Ltd.	Design, construction, land development, excavation of soil and rock for civil engineering. Manufacturing and sales of concrete products.	Engineering
Shinfuji Kaseiyaku Co., Ltd	Manufacturing and sales of fumigants for agrochemicals, pharmaceuticals and veterinary pharmaceuticals, and manufacturing, processing, sales, repackaging into smaller containers and packaging of other agrochemicals, pharmaceuticals and general industrial chemicals.	Agri Business
Nisso Fine Co., Ltd.	Manufacturing, sales and trial production of products under development including industrial chemicals, chemical products, functional dyes, pharmaceuticals, agrochemicals and their intermediates, synthetic resin molded products, dehumidifying agents and household general goods.	Chemical Materials and Agri Business
Nisso Green Co., Ltd.	Sales of agrochemicals, agricultural materials and other products.	Agri Business
Nisso America Inc.	Export/import and wholesale of various products, manufacturing and sales of various products, and provision of consigned information research services related to technology.	Chemical Materials and Agri Business
Nisso Chemical Europe GmbH	Export/import and wholesale of various products. Manufacturing and sales of various products, and provision of consigned information research services related to technology.	Chemical Materials and Agri Business
Nisso Namhae Agro Co., Ltd.	Manufacturing of active ingredients for agrochemicals.	Agri Business
Equity-method affiliates (2)		
Novus International, Inc.	Manufacturing and sales of feed additives.	
Iharabras S/A. Indústrias Químicas	Export/import and wholesale sales of insecticides, fungicides, herbicides and other agrochemical products, and manufacturing and formulation of agrochemicals.	

The forward-looking statements, including plans, outlook and strategies contained in this material are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company, and these statements do not purport to be a promise by the Company to achieve such results.
Actual business and other results may differ from the statements herein due to a number of factors.

This document is not intended to solicit investment.
Please make any investment decisions according to your own judgment.

The monetary units in this table are billions of yen, rounded to the second decimal place.

Brilliance through Chemistry

NIPPON SODA CO.,LTD.

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