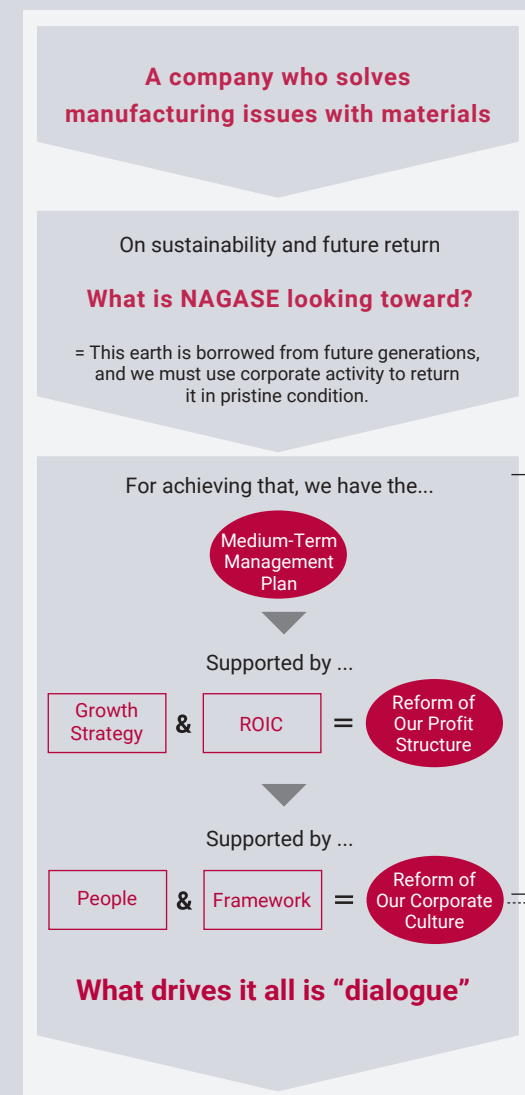


Approach to management Who is NAGASE?



Editorial Policy

The NAGASE Group has created this integrated report to help our diverse stakeholders better understand the Group's wide-ranging business fields and business activities, as well as its unique value creation process. Going forward, we will continue to improve this report as a communication tool for conveying the Group's corporate value enhancement activities in an easy-to-understand manner.

Referenced Guidelines:

- The International Integrated Reporting Framework developed by the International Integrated Reporting Council (IIRC)
- Ministry of Economy, Trade and Industry's Guidance for Collaborative Value Creation

Period Covered: April 2023 - March 2024 (FY2023)
Some information after March 2024 is also included.

Organizations Covered: Nagase & Co., Ltd. and the NAGASE Group

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About the Front Cover

The fiscal 2024 corporate report was used for the cover. As we strive to reform and continuously grow amid changes, we feel that "things that don't change" and "things that change" are both important. So, "Embracing Authenticity, Embracing Change" That catch phrase summarizes our feelings. The illustration is an illustration by Ilya Kuvshinov, which we first used in a corporate advertisement in fiscal 2019 and has been decorated with a new color scheme. The striking red of the illustration alludes to the color of the safflower, the symbol used at NAGASE's founding.

NAGASE's Management Philosophy



Maintaining the highest standards of integrity

We recognize our responsibility to society and offer beneficial products and services while maintaining the highest standards of integrity. Through our growth, we will contribute to society and enrich the lives of our employees.

Over a period of more than 190 years, NAGASE has constantly maintained the highest standards of integrity, delivering the products and services that are needed by our customers, and by society as a whole.

What we have built up over that time is the trust that our partners and society place in us. Going forward, besides working to solve the problems of "today," the NAGASE Group will be delivering "next" by addressing the new problems affecting society and the whole of humanity through the provision of new materials.

"The Earth is borrowed from future generations."

To help realize a sustainable future society, NAGASE will continue working together with partners throughout the world to build a future where people can live with peace of mind.



Founded **1832**

► NAGASE's History P.5

Consolidated net sales

900.1 billion yen

Overseas gross profit ratio

54.4 %

Operating income rate
by industry

Manufacturing

29 %

Trading

71 %

► CFO Message P.19

► 11-Year Financial Highlights P.85

(As of end of March 2024)

Number of bases

25 countries and regions **106** companies

Number of partner corporations

Approx. **18,000** companies

Consolidated number of employees

7,528

► NAGASE's Human Capital Management P.59

(As of end of March 2024)

Five business segments

We are developing our business broadly from upstream to downstream on supply chains in various industries.

► List of Segments P.41



Functional Materials



Advanced Materials & Processing



Electronics & Energy



Mobility



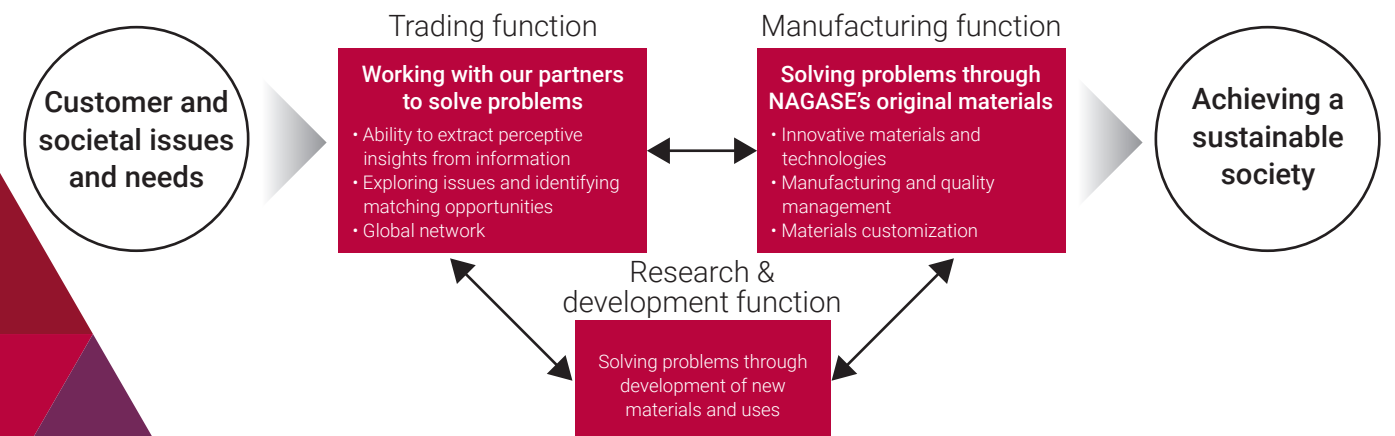
Life & Healthcare



Added value born from unique functions

We are creating added value through masterful use of "manufacturing" and "R&D" functions in light of the needs of customers and society grasped through the information and networks gained through our "trading" function.

Providing materials and solutions that make full use of NAGASE's unique functions



1832-

The NAGASE Group traces its roots to 1832 when founder Denbei Nagase established Urokogataya, a dyestuffs wholesale business that handled safflower, funori seaweed and starches in Nishijin, Kyoto. This is beginning of NAGASE Group's history which continues to present day. Later on, we established a foothold in the chemical industry by starting to handle synthetic dyes in addition to natural dyes.



Through tumultuous times from its founding to present-day, NAGASE has a history of expanding business and continuous growth. "If only this existed, it would help solve customer and societal issues." That thought spurred us to action, and as we entered the 1900s, managers started looking overseas. When we found some "eureka" technology or product on site, we would negotiate tenaciously to bring it back to Japan, so that one day we could develop the technology to manufacture it ourselves, and deliver it to society. In addition to clearly apparent existing needs, we detected potential needs, and we kept our focus on things and technologies that could meet all of those needs. Furthermore, we had the ability to horizontally expand our business by leveraging the knowhow and network we built, which led to the diverse areas of business we engage in now.

Founding as a wholesaler
Bringing manufacturing technology to Japan by importing foreign products

Strengthening manufacturing, processing and R&D functions
Successive establishment of plants with manufacturing functionality

Co-creating with partners
Full synergistic creation and global development by group expansion

Five business segments that undergird present-day NAGASE

Functional Materials

Life & Healthcare

Electronics & Energy

Advanced Materials & Processing

Mobility

Chemical

1901 Established branch office in Lyon, France

● Forging ties with leading overseas manufacturers
At the time, there was demand for synthetic dyes not available in Japan, so after assiduous negotiations with Ciba in Switzerland, we began importing them. We brought back methods for use and technologies, and set up an internal laboratory.

Expanding from natural dyes to synthetic dyes

Biotechnology

● Expansion into biotechnology
Began import of industrial use enzymes from Europe for use in glue removal or de-gluing for textile products.

1939

● Manufacturing enzymes
Put effort into domestic production of enzymes, succeeding in 1939 in production of a high-quality glue remover (enzyme) for staining which exceeded products from overseas. Expanded into manufacture of enzymes for industrial use and for food use.

1990 Established a biotechnology-related research and development center (Presently "Nagase Bio-Innovation Center")

2012

● Enhancement of biotechnology functions
▶▶ Formed subsidiary Nagase Viita (at the time "Hayashibara")

Food

2019

● Formed subsidiary Prinova USA

Epoxy resin

● Commencement of epoxy resin imports
Began import of epoxy resin, which was not widely distributed in Japan at the time, from Ciba Inc. Supported long-term, high-level economic growth of Japan with its diverse uses.

1970

● Commencement of epoxy resin production
Nagase & Co., Ltd. established a joint venture with Ciba Inc. and began domestic production.

Movie film ▶▶ semiconductor

1926

● Exclusive agency agreement with Eastman Kodak in America
Began import of movie film to help entertain Japan suffering from the Great Kanto Earthquake. Closer ties with Eastman Kodak Company.

1982

● Introduction of photoresist into Japan
Imported and sold photoresists from Eastman Kodak Company, which were used in the photolithography process in film development technology.
▶▶ Deepened connections with domestic semiconductor-related corporations, and began NAGASE Microelectronics Seminar in 1974.

● Commencement of production of developer and stripping agent
Established a photoresist refining plant in former Nagase Chemicals. Also, began production of developer and release agent.

Plastics & Resin

1968

● Sales agreement with GE
Began partnership with GE (General Electric Company).

1971

● Shift to engineering plastics production and sales
Entered into a joint venture with GE to establish Engineering-Plastics Corporation.

1980s onwards

● Enhancement of overseas networks
Dedicated efforts to export to and increased share in Asian countries.

NAGASE's Cultivated Strengths

A key strength that the NAGASE Group has cultivated is the six types of capital that support the Group's sustainable growth and provide the foundation for its value creation: human capital, intellectual capital, manufactured capital, social and relationship capital, natural capital, and financial capital. By integrating these different types of capital, we are proceeding with business activities that help to solve various problems affecting society.

Management capital

Human capital

Business designers that integrate the NAGASE Group's diverse functions to solve problems

- NAGASE's Management Philosophy**
 We recognize our responsibility to society and offer beneficial products and services while maintaining the highest standards of integrity. Through our growth, we will contribute to society and enrich the lives of our employees.
- Consolidated Number of Employees**
7,528
 ➔ See P. 59-66 for initiatives in human capital management

Intellectual capital

Leveraging knowhow across a wide range of fields to create new business in collaboration with partners

- Number of Group patent applications in the past 20 years: approx. 1,500 (base of domestic application number)**
- Number of partners with whom we filed joint applications in the past 20 years (industry, government, academic): 200+**
 [Main R&D function] Nagase Bio-Innovation Center and Nagase Application Workshop
 [Main business development function] Future Co-creation Office
 [Examples of joint applications / development that featured integrated Group functions]
 • Biodegradable superabsorbent polymers and ergothioneine (rare amino acid)
 ➔ See P. 38 for development details

Manufactured capital

Increasing value-added through enhanced productivity, technical innovation, and group synergy

- A total of 43 manufacturing sites in 15 countries and regions**
- Material development featuring integration of the Group's functions as a manufacturer, researcher, developer, and trader** ➔ See P.33
- Built a system for strengthening the competitiveness of Group materials leveraging the latest evaluation technology**
 (Use of the NanoTerasu 3GeV high brightness light source facility at Tohoku University, etc.)

Social and relationship capital

Partnerships and supply-chains built on trust

- Approximately 18,000 partner companies**
- A global network of 106 business locations in 25 countries and regions**

Natural capital

Initiatives aimed at enhancing the sustainability of the global environment

- Energy use 264,569 MWh** (Fiscal year ended March 31, 2024)
- Total water intake 3,877 ML** (Fiscal year ended March 31, 2024)
 ➔ See P. 87 for other non-financial highlights and external evaluations

Financial capital

Financial soundness and strict financial discipline

- Shareholders' equity ratio: 49.7% (Fiscal year ended March 31, 2024)
- Operating CF: 72.9 billion yen
- Rating: Rating & investment information center (R&I) long-term A short-term a-1
- Sustainability link loan framework selected as a model example**
 (Formulated in collaboration with MUFG Bank)

NAGASE's Unique Functions

NAGASE offers a uniqueness only possible through their integration of the functions of "trading," "manufacturing," and "R&D."



Sustainable innovation achieved through the commitment of every individual employee

Building on the commitment that each individual employee has to playing a useful role in society, we are working to generate multi-faceted value through collaborations with our colleagues, by having faith in our potential.

Nagase & Co., Ltd.

Takaki Iizuka

Third Sales Section, Functional Materials Division, Performance Chemicals Department, Functional Materials Segment

By utilizing previously unused bio-materials, we are aiming to build a future in which people can say "Plastics? People used to use those years ago, didn't they!"

Nagase Enterprise México S.A. de C.V.
Leader

Maria Elizabeth Gutierrez Perez

Mobility Team 1, Plastic Division
Mobility Department

We integrate to put our mark on caring for the environment, contributing to the reduction of the carbon footprint.

Nagase & Co., Ltd.

Juno Cox

PM Section and NVI Section, Product Management Division, Life & Healthcare Products Department, Life & Healthcare Segment

We are expanding the use of bio-derived cosmetics materials throughout the world to enable everyone to enjoy safe, sustainable beauty!

Nagase & Co., Ltd.

Eiko Matsumoto

Assistant Director, Nagase Bio-Innovation Center

As a research-oriented generalist, I provide support for our rapidly-accelerating bio-related research, with the aim of promoting sustainable environmental, health and safety (EHS) management systems and promoting effective compliance.

Nagase ChemteX Corporation

Sou Mutoke

G Materials Section, Product Development Division, Performance Chemicals Department

By effectively utilizing the organic synthesis knowhow and technologies that we have cultivated over the years, we are taking on the challenge of developing "green" materials!

Nagase & Co., Ltd.
Blind runner

Shinya Wada

PR Section, Corporate Relations Division, Corporate Management Department

I will continue to keep running as long as I can to help realize a society that is barrier-free not just physically but also in people's hearts.

Nagase & Co., Ltd.
Guide runner

Takumi Hasebe

PR Section, Corporate Relations Division, Corporate Management Department

By doing our utmost when running, we are aiming to help realize a society that is full of energy and vigor!

Nagase & Co., Ltd.

Yuka Kono

MaaS Automated Driving Development Section, Advanced Mobility Unit, Mobility Solutions Department, Mobility Segment

While enjoying the way times are changing, I will be striving to realize personal growth by mastering a wide range of fields!

Nagase Viita Co., Ltd.
Unit Leader

Ooi Lia, Ph.D.

Plant Research Unit, Research, Technology & Value Creation Division

We pioneer the development of innovative biostimulants in contribution to combat climate change, promote sustainable agriculture, and eradicate world hunger.