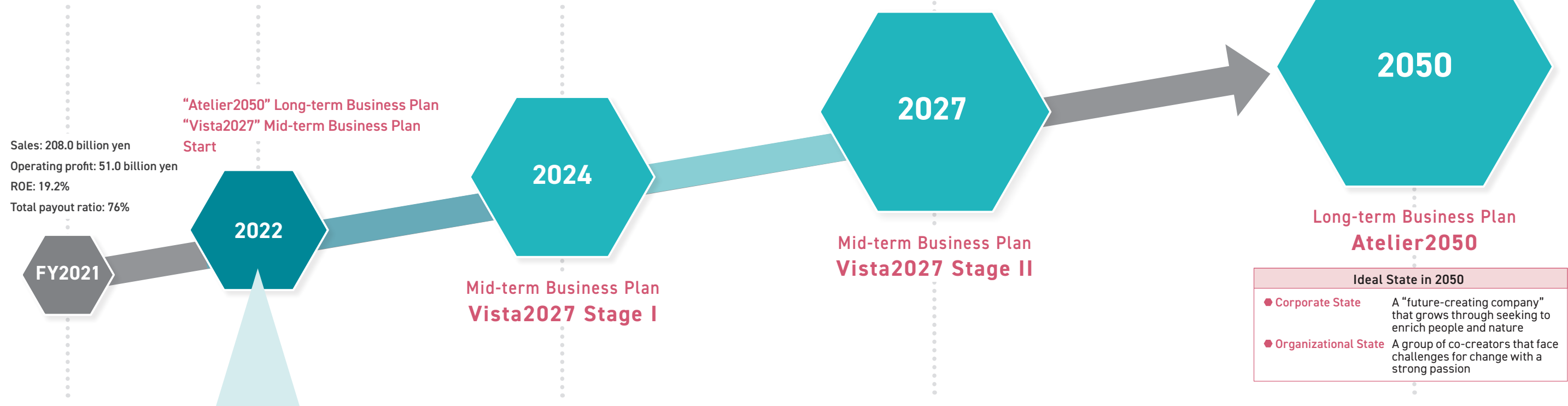


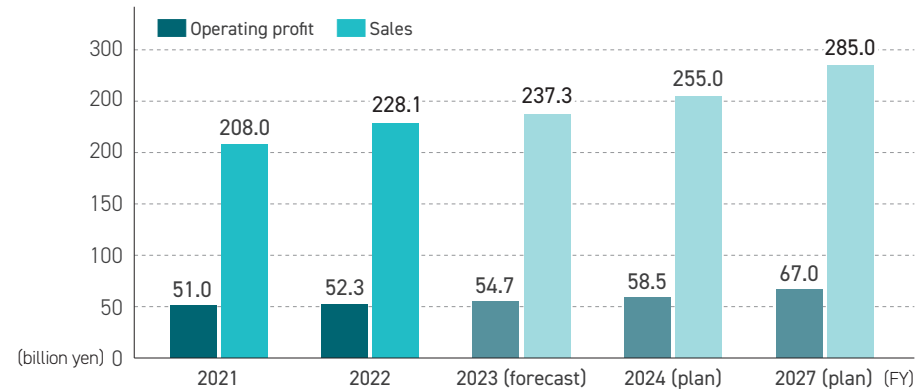
Long-term and Mid-term Business Plans Overview and Progress

The Nissan Chemical Group will take on the challenge of co-creating the future by explaining to stakeholders our direction to aim for and gaining their understanding and empathy. We aim to contribute to the realization of a sustainable society as a member of society by achieving mid- to long-term growth and improvement of corporate value with a strong desire and rich imagination to create the future.



Progress of FY2022

Financial Indicators



	2021	2022	2023 (forecast)	2024 (plan)	2027 (plan)
Sales	208.0	228.1	237.3	255.0	285.0
Operating profit	51.0	52.3	54.7	58.5	67.0
Ordinary income	53.7	55.8	55.5	59.5	68.0
Net income	38.8	41.1	41.5	44.0	50.0

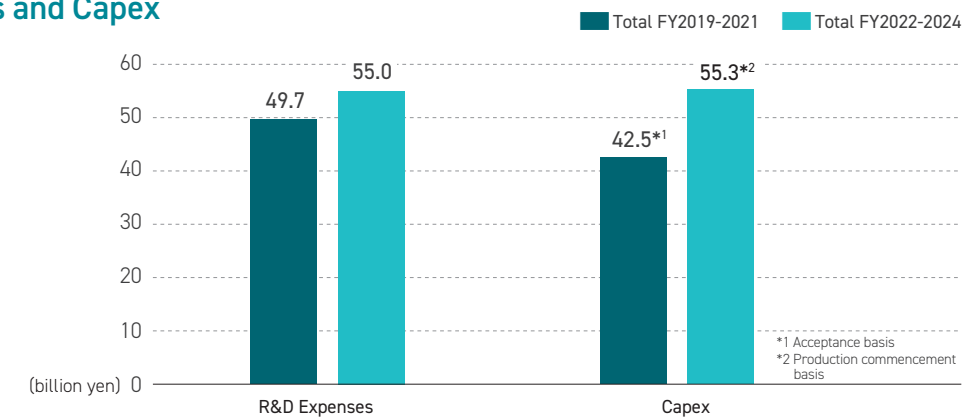
Operating profit and ordinary income reached the record high for 9 consecutive years, and net income reached the record high for 10 consecutive years

	2021	2022	2023 (forecast)	2024-2027 (plan)
Operating margin	24.5%	22.9%	23.1%	Above 20%
ROE	19.2%	19.4%	18.6%	Above 18%
Dividend payout ratio	44.9%	56.3%	55.1%	55%
Total payout ratio	76%	78%	75% (target)	75%

Non-financial Indicators

	FY2022	FY2027 Target
Rate of total sales of Nissan Chemical Sustainable Agenda target products and services in consolidated net sales	Above 55%	Maintain at least 55%
GHG emissions (Scope 1+2)	327,663 tons-CO ₂ e (9.8% reduction compared to FY2018)	254,377 tons-CO ₂ e (Reduce by at least 30% compared to FY2018)
Positive response rate in survey of employee attitude on human resource development	60.5%	At least 65%
Proportion of female researchers	14.8%	At least 18%

R&D Expenses and Capex

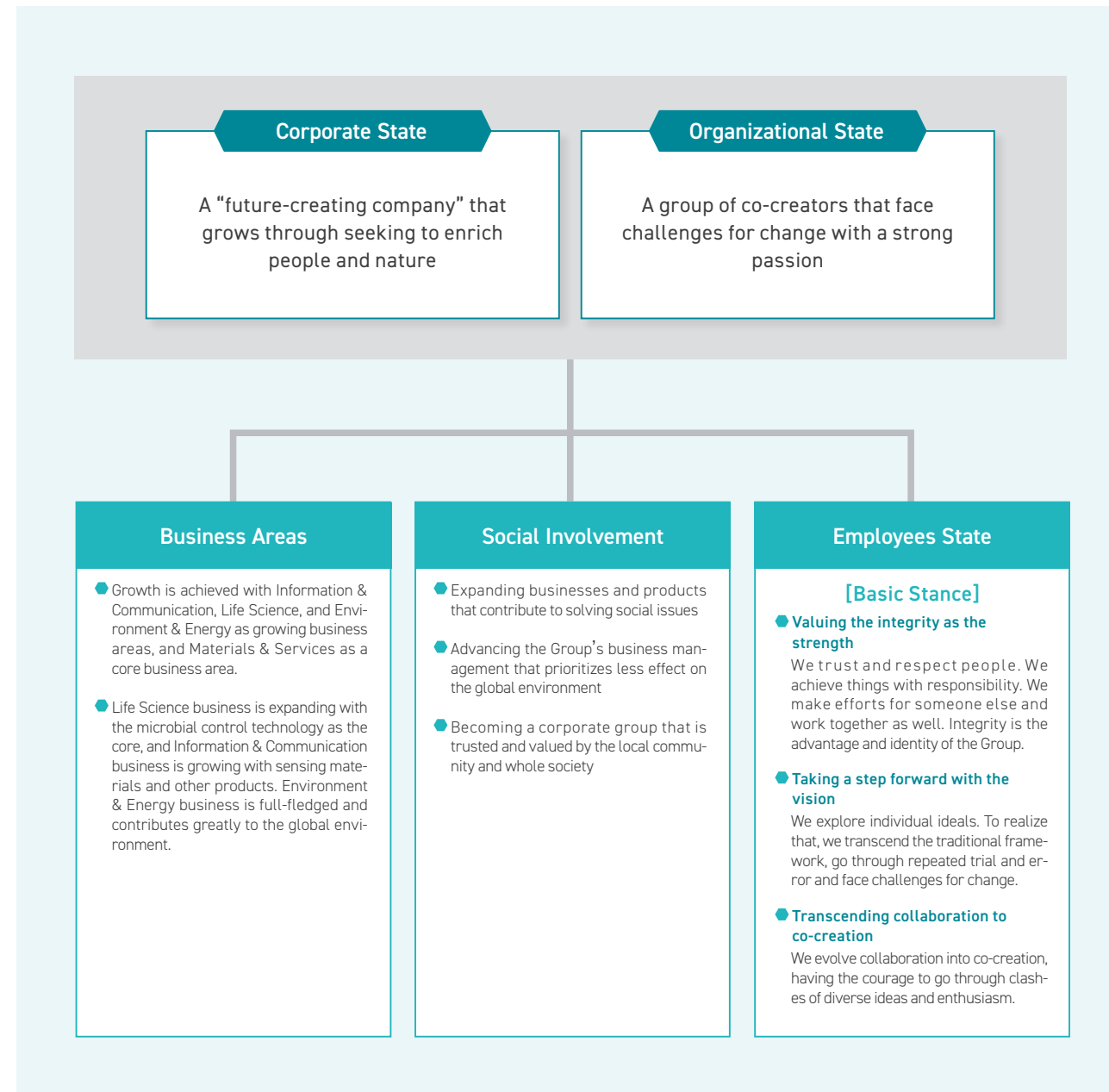


“Atelier2050” Long-term Business Plan

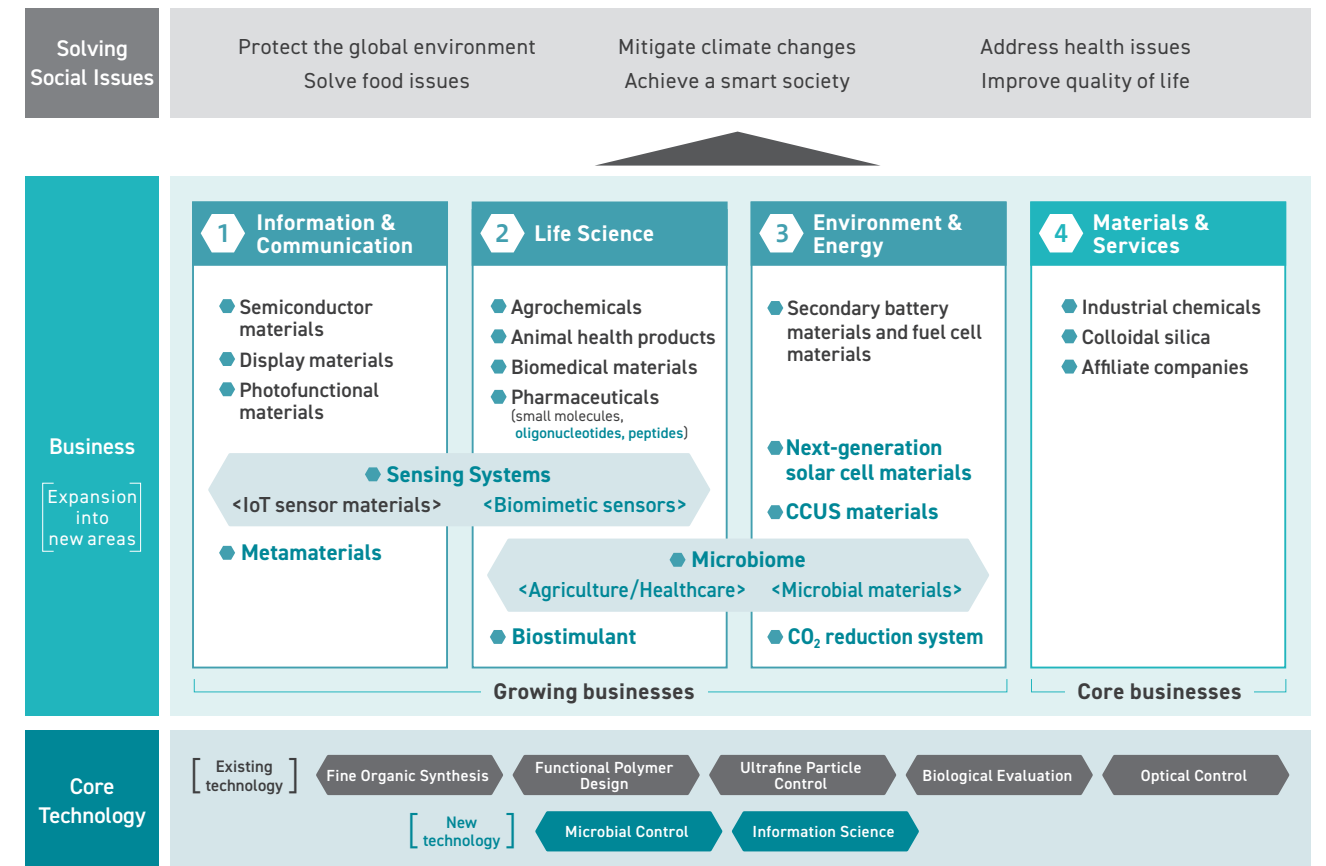
Considering that the business environment has changed significantly since the previous long-term business plan was formulated, we once again discussed the social issues and social changes with a view to 2050. As a result of these discussions, we have formulated a long-term business plan “Atelier2050”, by back-casting from the necessary initiatives and issues that need to be

resolved. This plan sets out the path for the Group to contribute to solving social issues and keep growing for the future, with the ideal corporate state in 2050 of “a future-creating company that grows through seeking to enrich people and nature” and the ideal organizational state in 2050 of “a group of co-creators that face challenges for change with a strong passion”.

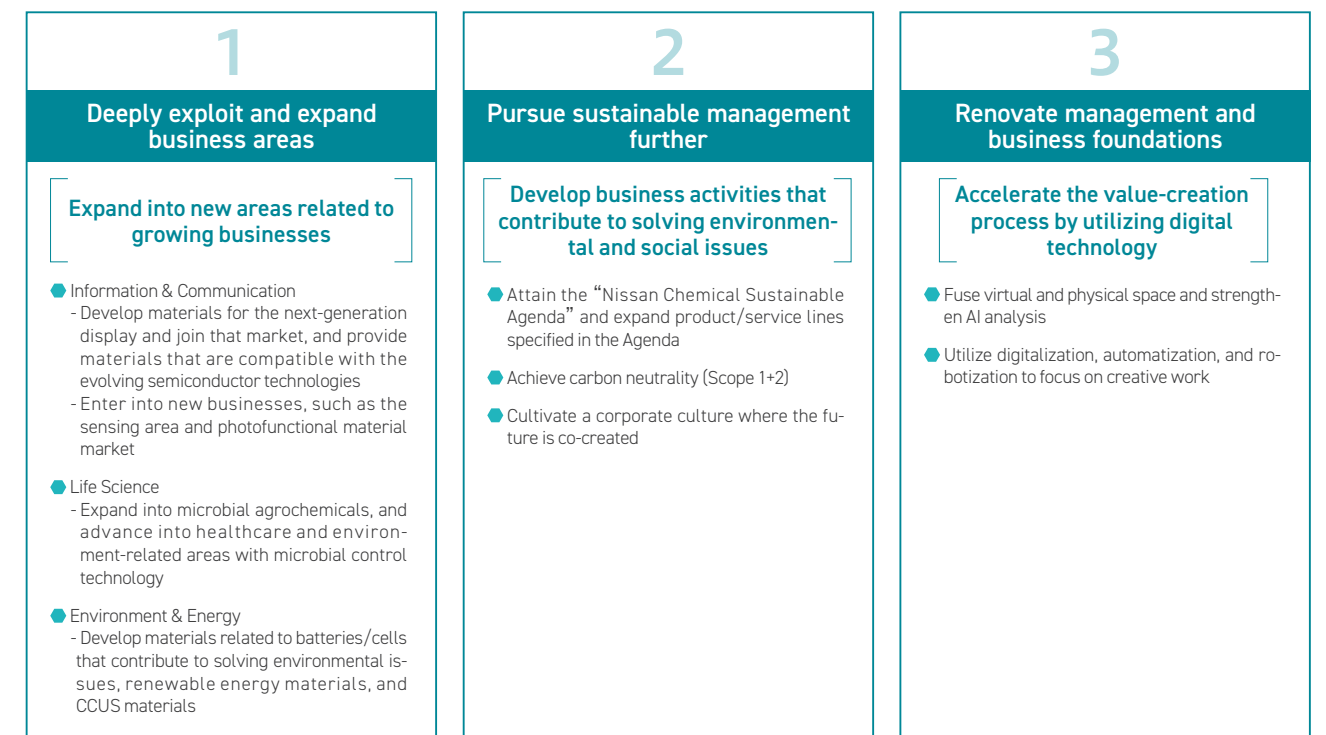
Ideal State in 2050



Business Areas

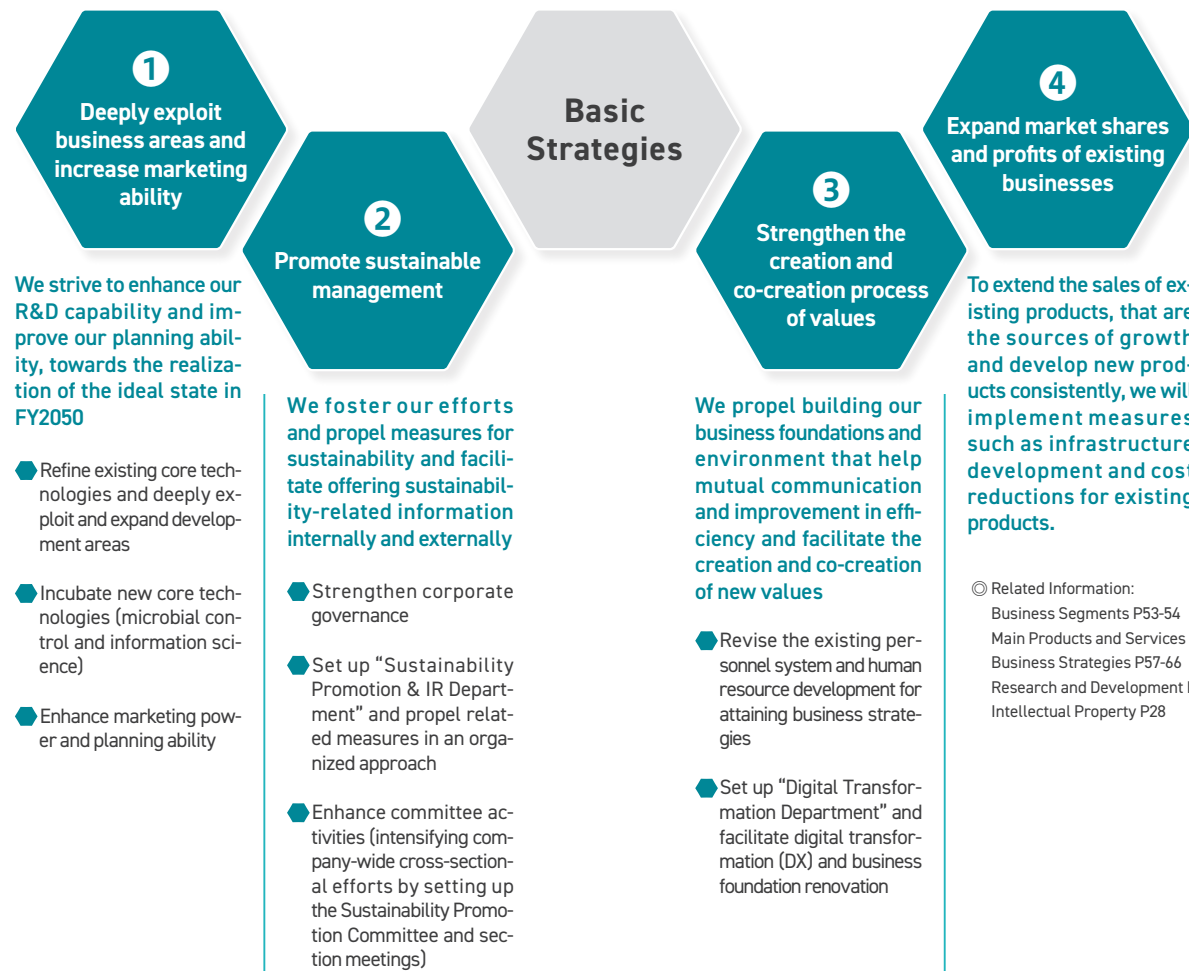
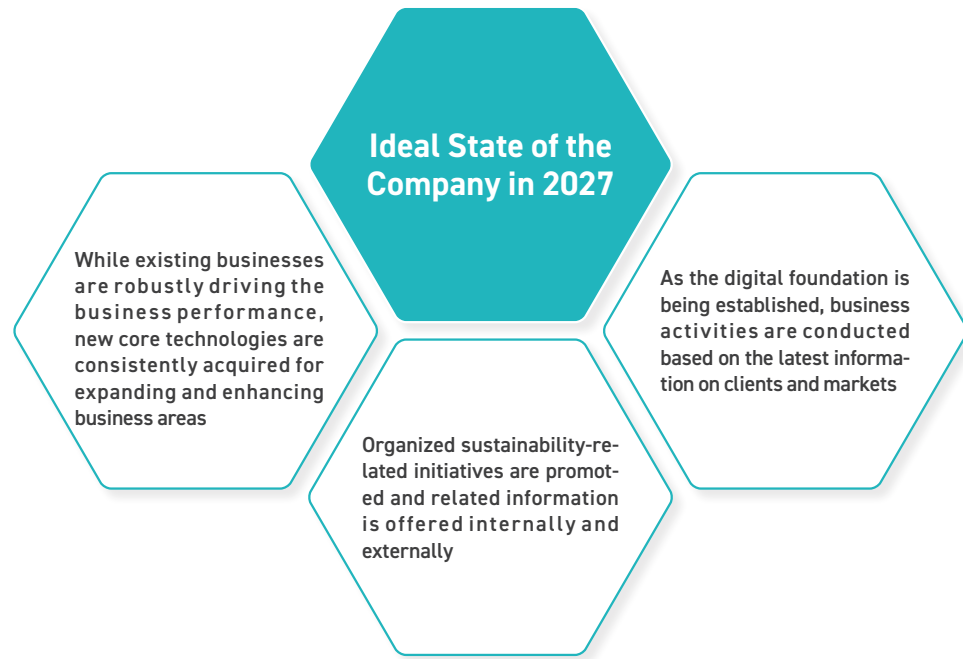


Basic Strategy



Mid-term business plan “Vista2027” is a six-year business plan, starting in FY2022, formulated as a stepping-stone on the way to the ideal state set forth in our long-term business plan

“Atelier2050”. We aim to achieve sustainable growth with this plan which set the first three years (2022-2024) as Stage I, and the second three years (2025-2027) as Stage II.



1 Nissan Chemical Sustainable Agenda

In FY2022, we started the Nissan Chemical Sustainable Agenda, a plan to pursue “what we can do for the future of the globe and human” by providing products and services that contribute to solving social issues. We have set “Actualizing a sustainable future for our planet (To Tomorrow)” and “Actualizing sustainable comfort for all (Be Happy)” as areas of contribution.

We define the rate of total sales of products and services that contribute to solving social issues in relevant areas in consolidated net sales as a key performance indicator (KPI), setting a target of “maintaining at least 55%” in the mid-term business plan Vista2027. Looking ahead to 2050, we would like to further expand our target products and services by fostering core technologies, and realize sustainable development for society and the Group.



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2 Achievement of Carbon Neutrality by 2050

In order to achieve carbon neutrality by 2050, we are working on converting fuel and feedstock, promoting energy saving, adopting renewable energy, and examining zero emissions of N₂O from nitric acid production facilities.

In FY2022, GHG emissions decreased due to the melamine production shutdown, and the conversion of boiler fuel at the Onoda Plant.

