



Mission

Corporate Philosophy

We are contributing to the effective use of limited resources on planet Earth, creating new value of resources through surface modification of all kinds of materials, preserving the global environment, and realizing an affluent society.

There are many different metals in our everyday lives. In the natural world, they exist as ores. Metal ore is turned into a metallic state through a reduction reaction called smelting for use as a metal, After reduction, the metal is unstable at the molecular level; it must be changed to a stable state. Surface modification is one of the technologies used to stabilize such metals.

Introduction

- 02 Mission: Corporate Philosophy
- 04 Vision
- 06 Value
- 07 At a Glance
- 09 Greetings
- 10 Message from Top Management
- 13 Challenges for Change
- 14 Basic Policy

Value Creation Story

- 15 Our Path of Growth
- 17 Our Strength
- 19 Our Goal
- 21 Vision2030
- 23 Key Issues (Materiality) and Their Identification Process
- 25 Globally Accepted Technologies for Surface Treatment
- 29 Value Creation Process

Growth strategies

- 31 The 4th Medium-Term Management Plan of the group(Basic Policy and Progress)
- 33 Financial Strategy
- 35 Business Portfolio of Nihon Parkerizing Group
- 37 Strategy by Business Segment
 - 37 Life Science Business
 - 39 Chemicals Business
 - 41 Toll Processing Business
 - 43 Engineering Business

Value Creation Platform

- 45 Sustainability Strategies
 - 46 Tackling climate change
 - 49 Environmental Initiatives
- 51 Research and Development
- 53 Community Activities
- 55 Respect for Human Rights
- 56 Human Resource Strategies
- 59 Occupational Health and Safety
- 60 Supply Chain Management
- 61 Quality Assurance
- 62 How We Create a Safe and Reliable Workplace
- 63 Corporate Governance
- 67 Roundtable Meeting of Outside Directors
- 69 Board Members and Officers
- 71 Risk Management
- 72 Compliance

Data Library

- 73 Financial and Non-Financial Data for the Decade
- 75 Corporate Profile and Stock Information

Scope of Reporting

Nihon Parkerizing Co., Ltd. and its consolidated subsidiaries are subject to this report. The scope of coverage is specified for items in case we have a different scope of reporting.

Disclaimer

Please note that our Company determines statements related to financial forecasts and future predictions in this Integrated Report based on currently available information, and they are accompanied by underlying potential risks, uncertainty, and other factors. Please be aware that there is a possibility that actual performance may vary from these outlooks due to changes in various factors.

Reporting Period

Based on the fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024) (certain information after April 2024 is included)

Editorial Policy

The Integrated Report is for the fiscal year ended March 31, 2024, and it reports on our growth strategy to enhance our corporate value, our sustainability strategy, and our foundation for value creation based on our value creation story. The goal of the report is to increase the understanding of stakeholders, including shareholders and investors, of our attitudes and initiatives to realize the ideals of the Nihon Parkerizing Group.

Vision

Since its foundation, the Nihon Parkerizing Group has contributed to conserving resources, focusing on surface modification technologies such as rust prevention and other processes. Today, we are also working to develop technologies that will enable us to reduce our environmental impact, such as replacing or reducing the use of hazardous materials and achieving zero emissions. We are working to contribute to the creation of a prosperous and safe society.

Our vision is to contribute to the realization of a sustainable society by changing all surfaces using the power of science.

With our slogan, “Transforming a diverse range of surfaces with the power of science,” our Group is making great strides towards the realization of a sustainable society in response to the social issues facing the Earth and its people. We aim to contribute to the conservation of the global environment and the creation of a prosperous society through our surface modification technology, with the goal of achieving carbon neutrality by 2050.

Value

As a technology-driven company with an open corporate culture, we will strive to develop a fair and transparent corporate culture and continue to share our willingness to take on challenges without being afraid of making mistakes.

In this way, we will develop advanced and unique surface modification technologies.

We pledge to make every effort to increase customer satisfaction as we continue to take pride in our position as the leading company in surface modification for all kinds of materials.

Today, it may be safe to say most metal products undergo a Nihon Parkerizing Group surface treatment in their manufacturing processes. To achieve the decarbonization of society, the Nihon Parkerizing Group develops new surface modification technologies that will improve people's everyday lives and economic growth.

At a glance (FY2024/3)



Net sales

¥125.0 billion



ROE

7.5%



Operating income

¥15.2 billion



Shareholders' equity ratio

69.4%



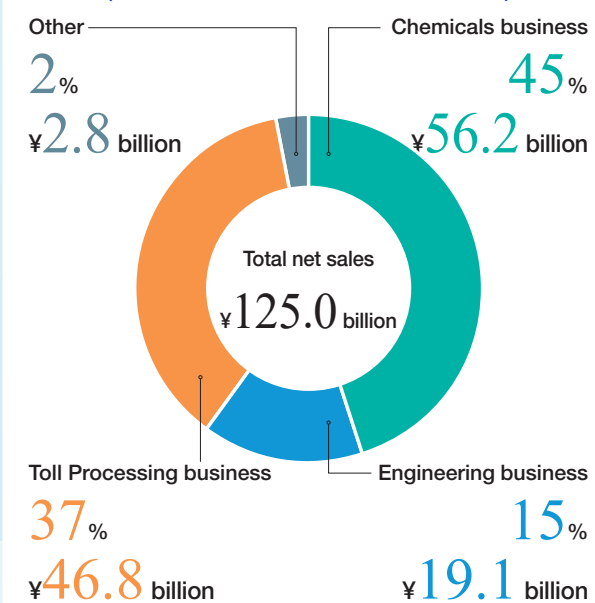
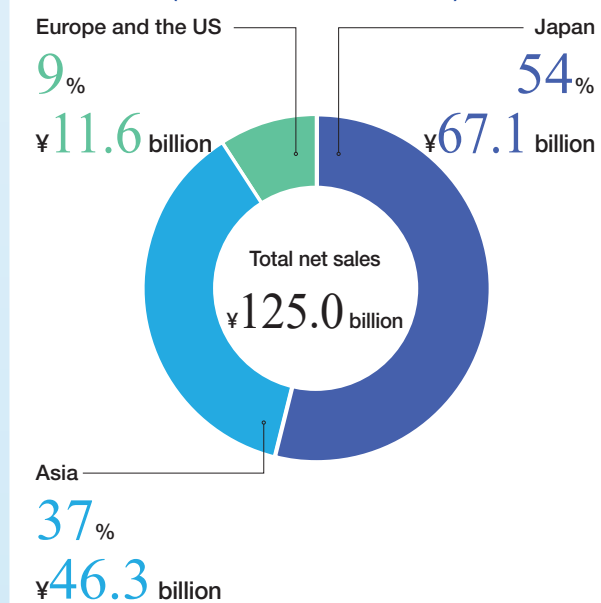
Net income attributable to parent company shareholders

¥13.1 billion



Dividend payout ratio (consolidated)

35.0%

Ratio of net sales by business segment
(After elimination of internal transactions)Ratio of net sales by region
(Based on customer location)

Since figures are rounded, the total net sales above may not equal the total of the individual figures.

Global network

China

Number of employees	Number of companies	Net sales
403	10 companies	¥11.9 billion

India and ASEAN

Number of employees	Number of companies	Net sales
1,579	16 companies	¥27.6 billion

Other regions including Japan

Number of employees	Number of companies	Net sales
2,297	25 companies	¥85.4 billion