## **Challenges for Change**

To keep pace with the changes in our business environment, we will break free from conventional thinking and established ideas and boldly strive to develop new businesses and reform business processes in pursuit of the creation of new value.

Developing new markets and customers

- Expand businesses in India, ASEAN and other regions where high economic growth is expected
- Develop new businesses other than automobiles and steel, such as electronics, home appliances and medical care
- Cultivate existing markets
- Explore M&A activities and strategic alliances in both existing and new businesses

Development of new technologies

- Develop surface modification technologies to contribute to a decarbonized society, such as technologies related to EVs and hydrogen energy
- Develop surface modification technologies to contribute to the environment, such as energy saving and high efficiency equipment and the reduction of energy loss.
- Develop 3R technologies contributing to an SDG-conscious circular economy
- Promote open innovation and discover seeds of new businesses

Enhancing profitability

- Promote labor-saving and automation on production lines
- Establish a production system aimed at group optimization
- Business model transformation through the promotion of DX using IoT and AI
- Improve productivity

Strengthening the group management

- Promote business structure reform with a view to group reorganization, aiming to maximize group synergy
- Activate personnel exchanges with domestic and overseas group companies

Developing global human resources

- Promote the active participation of diverse human resources
- Develop global human resources and assign them to important posts

Safety first and quality improvement

- Promote capital investment to achieve zero disasters and reduce hazardous work
- Provide products, toll processing and technical support that are always trusted by our customers and ensure customer satisfaction

# **Basic policy**

### 3G management (global, group and governance)

- Growth strategy for surviving global competition
- Optimizing the management of the Nihon Parkerizing Group
- Governance reform

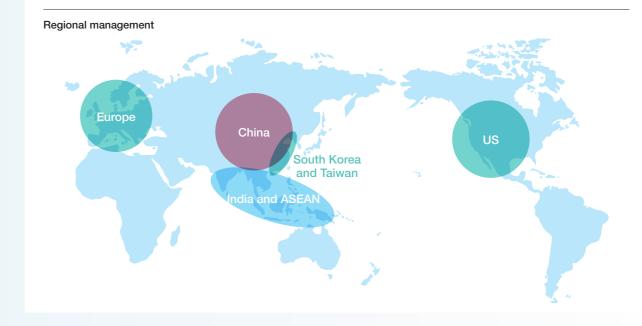
### Regional management

We aim to achieve further business expansion and Vision 2030 by promoting strategies tailored to the characteristics of regions with high economic growth potential, including India and ASEAN.

We will build a technical support system that is closely linked to our customers by quickly developing technology that meets the needs of each region. We will promote regional management by leveraging the comprehensive strengths of the group.

### Goal of regional management

- Give each region responsibility and making quick decisions based on accurate insight into the direction of market trends
- Understand the needs of customers in each region from a market-in perspective and reflect this in our products, toll processing and technical support.
- Strengthen our profit-and-loss management by clarifying managerial goals for each region
- Developing global human resources and strengthening human resource management through their deployment



Nihon Parkerizing Co., Ltd. Integrated Report 2024 14 Nihon Parkerizing Co., Ltd. Integrated Report 2024 15