

The Unique Value of Nippon Pillar Packing

# Value Created by Nippon Pillar Packing

The Nippon Pillar Packing Group has identified certain strengths as a source of unique value. As we work to create value in the future, we will continue to develop these strengths further while providing our stakeholders with value that is unique to the Nippon Pillar Packing Group.

## The Purpose of the Nippon Pillar Packing Group

# Creating a future that supports society

### Value to Society

- Protecting the environment
- Contributing to safety and security
- Supporting the development of industrial products and advanced industries as well as infrastructure

CLEAN

SAFETY

FRONTIER

### Value to Our Company

- Providing products that contribute to society and protect the environment
- Offering customer solutions while providing added value
- Meeting the challenge of entering new markets and dealing with advanced technologies

We are specialists in the high-tech sector, especially in the semiconductor, LCDs, and medical sectors. In particular, we offer fittings, pumps and other components made from fluororesin, which offer high chemical resistance, heat-resistance, and cleanliness. Because they are unaffected by various chemical solutions, these products are ideal for use in silicon wafer cleaning systems.

### Electronic Equipment Business



### Industrial Equipment Business



We handle mainly mechanical seal products that control fluids in rotating equipment such as centrifugal pumps that transfer fluids, gland packing products used as sealing materials for valve stem components, and gasket products used for mating pipes.

## Expanding the market as a comprehensive manufacturer of fluid control-related seals, we currently contribute to a wide range of fields by developing our sealing and material technologies.

### Key Issues to Address

#### Aggressive Materialities

- Decarbonization and energy saving
- Circular economy and resource conservation
- Prevention of chemical pollution and conservation of water resources
- Product development and manufacturing in response to social issues

#### Defensive Materialities

- Biodiversity conservation
- Creation of workplaces that enable diverse human resources to grow and succeed
- Living in harmony with the world and society
- Establishing transparent and responsible governance

## Our strengths are a unique source of value

### 100 years refining fluid control technology

Our day-to-day focus on innovation as a means of responding to change lies at the root of our technological expertise as well as the quality-first philosophy we have nurtured throughout our nearly 100 years of existence. At Nippon Pillar Packing, our commitment to a tradition of innovation enables us to respond with agility to the ongoing changes affecting society.

### Diversified markets according to the needs of the times

Our Company began by manufacturing packings for use in marine vessels. Over the years, we have succeeded in entering a wide range of markets as we respond to the emerging needs of advanced industries. Today, we support a wide range of industrial sectors including semiconductor and LCDs, chemicals, petroleum, steel, transportation, civil engineering and construction, and electric power and energy.

### A comprehensive manufacturer with a diverse product line of fluid seals

As we have expanded our expertise in fluid control technology, we have grown into a comprehensive manufacturer of seals for use in fluid control products such as gland packings, gaskets, mechanical seals, and fluororesin products. We will continue to incorporate advanced technologies as we aim for ever greater heights.

Our Three Focal Points: Technology Differentiation, Capacity, and Brand Power

For details see P9

## Materiality

The Nippon Pillar Packing Group has identified material issues that must be addressed in order to contribute to the emergence of a society committed to sustainability. As set forth in our Sustainability Policy, we aim to achieve sustainable improvement of our corporate value through our business operations.

### The Nippon Pillar Packing Group's Material Issues

- Development and manufacture of products through the use of fluid control technology and material technology, etc., to enable decarbonization and energy conservation
- Expanding clean energy and energy savings in manufacturing
- Development and manufacturing of sealing products using IT/DX technology and sustainable raw materials
- Development and manufacture of resource-conserving products
- Resource efficiency and sustainability through improved production technology (IT/DX, automation), etc. and 3Rs of waste
- Development and manufacture of products that contribute to the prevention of chemical pollution and the conservation of water resources
- Prevention of chemical pollution in manufacturing and conservation of water resources
- Promoting biodiversity conservation at each site
- Development and manufacture of products to cope with disasters such as earthquakes and floods
- Development and manufacturing of new products by applying technology to meet market needs (sensor business, IoT utilization, etc.)
- Pursuit of safety and quality assurance of product services
- Occupational safety and health
- Respecting human rights and promoting diverse human resources and work styles
- Human resources development, recruitment and retention
- Creating innovation through industry-government-academia collaboration
- Promoting CSR procurement
- Contribution to regional and community development
- Ensuring board independence and transparency
- Establishing a system for managing potential risks in business activities
- Implementing our corporate principles and integrity
- Corruption prevention

### Materiality matrix

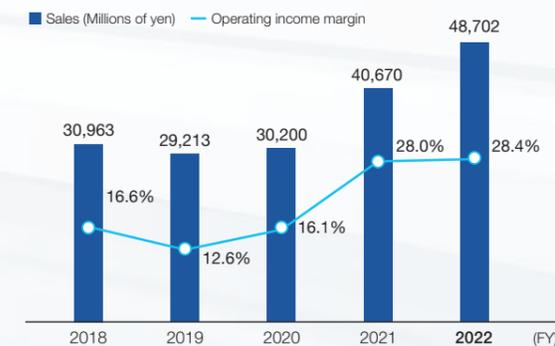


Please refer to our website for the positioning of material issues, the identification process, and related SDGs.

<https://www.pillar.co.jp/en/sustainability/materiality/>



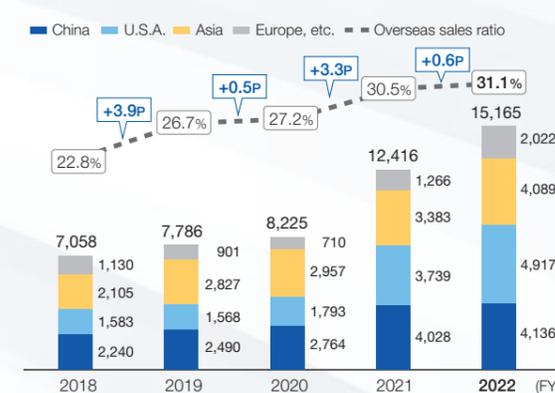
### Net sales and operating income margin



### Segment sales



### Sales trend outside Japan (Millions of yen)



### Sales by market (nonconsolidated) (Millions of yen)

