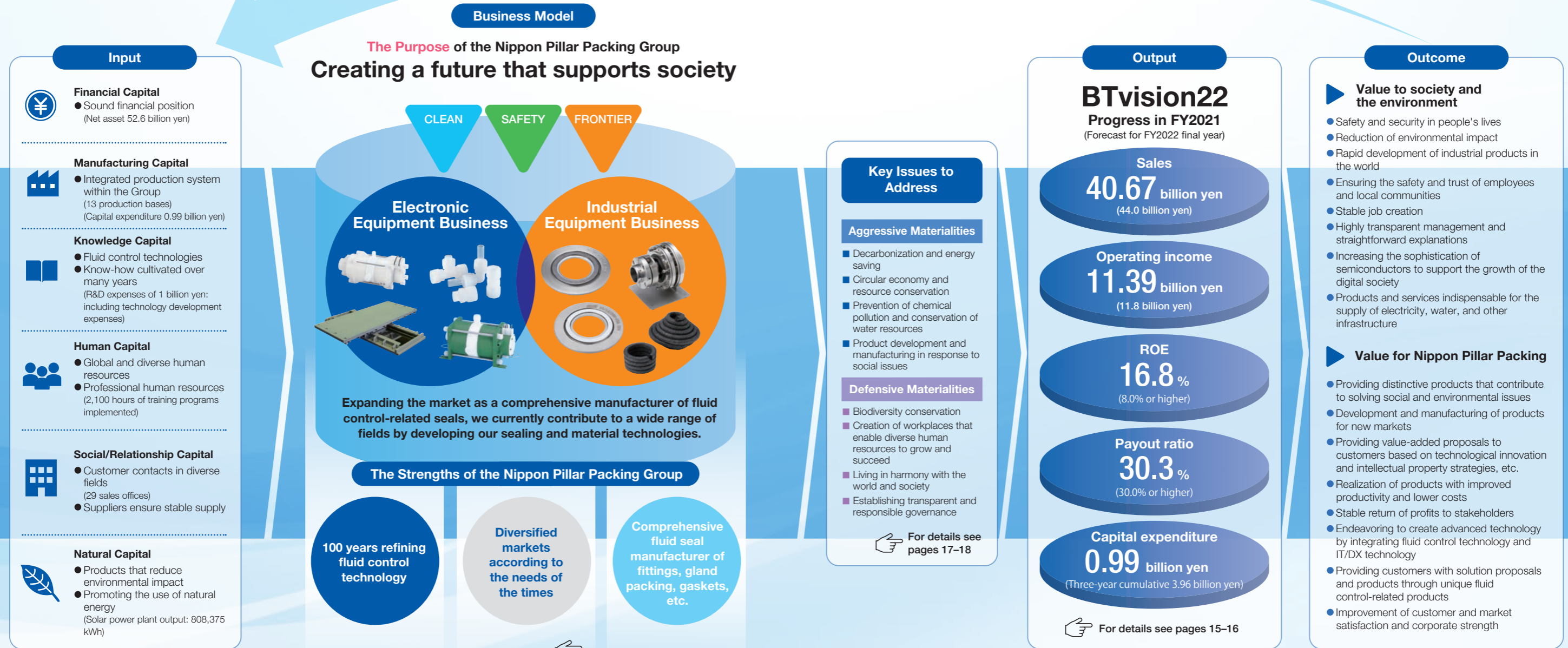


# The Value Creation Process of Nippon Pillar Packing

As stated in our Purpose, the Nippon Pillar Packing Group is committed to providing value to the world with an awareness of social challenges and our materiality, focusing on our two businesses—electronic equipment and industrial equipment—so that we may create a future that supports society.



## Social Issues [External Environment]

### Global environmental conservation

**Expansion of eco-friendly business**  
Providing new products to new markets such as batteries for electric vehicles, sealing materials using high performance materials for hydrogen and ammonia, pharmaceuticals, and the food industry

### Climate change

**Further growth in the semiconductor field**  
Providing cleaner, more energy-efficient products that also contribute to protecting the environment

### Human rights issues

**The age of IoT, where sensors are installed in everything**  
Providing sensing in harsh environments where higher temperatures than ever before and chemical resistance are essential

### Respect for diversity

**Rapid expansion and contraction of market size**  
Opportunity losses due to technological innovation, resource shortages, and other factors resulting from unexpectedly rapid market expansion and contraction in the semiconductor and LCD markets, etc.

### Shift to IoT/DX

**Structural changes and tightening of regulations, etc.**  
Unexpected changes in the political or economic system in the country of operation, as well as increased restrictions on raw materials due to conflicts, natural disasters, infectious diseases, environmental considerations, etc.

### Labor shortages

**Decline in international competitiveness due to emergence of competition, cost fluctuations, etc.**  
Decline in international price competitiveness due to the emergence of competitors with innovative technologies, changes in manufacturing processes, increased infrastructure costs, etc.