Reporting (as of March 31, 2024)

1. Allocation Reporting

< 3rd Series of Green Bonds>

We have allocated proceeds from green bonds each eligible project as the following table 10.141 billion Yen out of Bond Proceeds 11.941 billion Yen which was excluded the issuance fee for new investment from December 2023 to March 2024. We expect unallocated amount 1.799 billion Yen will be allocated by March 2025.

(Million Yen)

Issuance amount	Issuance fee	Bond proceeds
12,000	59	11,941

(Million Yen)

<table>
<tr><th rowspan="2">Eligible project categories</th><th rowspan="2">Allocated amount (December 2023 to March 2024)</th><th colspan="3">Breakdown of allocated amount</th><th rowspan="2">Unallocated amount</th></tr>
<tr><th>R&D</th><th>Capital Investment</th><th>Manufacturing Cost/Expense</th></tr>
<tr><td>Batteries</td><td>3,387</td><td>1,861</td><td>-</td><td>1,525</td><td rowspan="6">1,799</td></tr>
<tr><td>Next-generation power semiconductors</td><td>3,016</td><td>3,016</td><td>-</td><td>-</td></tr>
<tr><td>CCU/CCS and hydrogen/ammonia</td><td>3,318</td><td>3,318</td><td>-</td><td>-</td></tr>
<tr><td>Clean energy utilization</td><td>245</td><td>-</td><td>245</td><td>-</td></tr>
<tr><td>Energy-efficient manufacturing</td><td>173</td><td>-</td><td>173</td><td>-</td></tr>
<tr><td>Total</td><td>10,141</td><td>8,196</td><td>418</td><td>1,525</td></tr>
</table>

(Million Yen)

New investment / Refinancing	Amount	Percentage (%)
Total amount in FY2023 (December 2023 – March 2024)	10,141	
New investment	10,141	100%
Refinancing	-	-

2. Impact Reporting

Eligible project categories	Impact Reporting Indicators
Batteries	- NGK announced that NAS battery system has started operation at a nickel-copper-cobalt mine in Australia in May 2023. The NAS battery was delivered through BASF Stationary Energy Storage GmbH (hereinafter “BSES”), a subsidiary of German chemical manufacturer BASF SE. - NGK announced that NAS battery system delivered through BSES has started operation at G-Philos Co., Ltd., a South Korean electric power systems manufacturer, in May 2023. - In June 2023, the National University Corporation Tokai National University Organization, Gifu University, and NGK conducted a collaborative research project with Ena Electric Power Co., Ltd. to visualize the economic and social value provided to the region through renewable energy and large-scale battery storage. The research findings indicate a calculated value of approximately 730 million Yen at maximum. - In September 2023, NGK announced that NAS battery system ordered through BSES has started its operation in Kostinbrod, Bulgaria, at the production site of Rollplast, a leader in production and sales of high-tech windows, doors and blinds in Balkan region and Europe. - In October 2023, the business of Abashiri Electric Power Co., Ltd., a regional renewable energy company jointly invested by Abashiri City and NGK, was awarded the Grand Prize of the New Energy Division of "Hokkaido Energy Conservation and New Energy Promotion Award 2023." as an advanced model for the efficient utilization of renewable energy. - In December 2023, NR-Power Lab Co., Ltd., a jointly invested company invested by NGK and Ricoh Company, Ltd., announced that it has started building a proprietary virtual power plant (VPP) system to realize tight security at low cost, collaborating with Japanese IoT start-up CollaboGate Japan, Inc. and Sassor Inc.. - In December 2023, NR-Power Lab Co., Ltd. announced that it starts collaboration with 16 regional renewable energy companies across the country to promote local production and consumption of electricity and encourage regional economic circulation. The collaboration is set to begin in April 2024. - NGK announced that NAS battery system, ordered from Omron Field Engineering Co., Ltd. and delivered to the second factory of Tohoku Anritsu Co., Ltd., the Fukushima Second Plant of Anritsu Corporation, has started operation in January 2024. - In February 2024, NGK participated in the international trade show "15th SMART GRID EXPO Spring " and showcased the NAS batteries and the zinc rechargeable batteries "ZNB" (under development). - In February 2024, the business of Abashiri Electric Power Co., Ltd. was awarded the Excellent Prize in the "2023 Northern Region Energy Conservation and New Energy Award" as an model in the effective utilization, development, and promotion of energy conservation and new energy in Hokkaido.

Eligible project categories	Impact Reporting Indicators
Batteries	- NGK announced that NAS battery system ordered through BSES has started commercial operation at BASF’s Schwarzheide site in Germany in March 2024. - In March 2024, NGK, Ena City and Chubu Electric Power Grid Co., Inc commenced the operation of a local microgrid system that enables self-sufficiency in electric supply within the region in the event of a large-scale blackout. This initiative aims to enhance the community's disaster response capabilities and promote the utilization of renewable energy.
Next-generation power semiconductors	- In September 2023, a collaborative research team from Nagoya University and NGK participated in the international conference "2023 International Conference on Solid State Devices and Materials (SSDM2023)" and presented their findings on the application of gallium nitride (GaN) wafers. - In November 2023, a collaborative research team from Nagoya Institute of Technology and NGK participated in the international conference " The 14th International Conference on Nitride Semiconductors (ICNS-14)" and presented their findings on the application of gallium nitride (GaN) wafers. - In March 2024, NGK announced that it has decided to augment production capacity of AMB substrates for power modules. By the fiscal year 2026, monthly production will be increased by about 2.5 times from the current capacity. NGK aims for net sales of 20.0 billion Yen by the fiscal year 2030, by improving supply capacity and by steadily capturing demand in markets such as automotive applications, which is expected to grow in the future.
CCU/CCS and hydrogen/ammonia	- NGK exhibited at the general exhibition "INCHEM TOKYO 2023" in September 2023, which focuses on plant engineering for the chemical and process industries. NGK showcased ceramic substrates for Direct Air Capture (DAC) for the first time in Japan. - NGK exhibited at "CEATEC 2023" in October 2023 and showcased ceramic substrates for Direct Air Capture (DAC).
Clean energy utilization	- In November 2023, NGK announced that it has started a carbon dioxide (CO_2) capture demonstration at its headquarters area to achieve carbon neutrality through the NGK Group’s business activities. In FY 2024, NGK will also install a methanation system to engage in Carbon Capture and Utilization (CCU). - In December 2023, NGK was awarded the Director-General's Prize (Business Category) in the Energy Conservation Case Study Division of the "2023 Energy Conservation Awards," with Nikken Sekkei Ltd., Kajima Corporation, Toenec Corporation, and Panasonic Electric Works Engineering Co., Ltd., for its effort on an energy-efficient building utilizing the low-temperature waste heat from the factory in the administrative and welfare building at Nagoya area.

<table>
<tr><th>Eligible project categories</th><th>Impact Reporting Indicators</th></tr>
<tr><td>Energy-efficient manufacturing</td><td>
- NGK promotes new capital investment of the high-efficiency facilities by continuously applying the internal carbon pricing (140 US dollar per ton).
- NGK made the capital investment which will be more contributable the reduction of CO_2 emission than existed facilities from December 2023 to March 2024.
【3rd Series of Green Bonds】
<table>
<tr><th>Major capital investment</th><th>Receipt amount</th><th>Annual reduction volume of CO_2 emission</th></tr>
<tr><td>Cooling tank renewal at Tajimi area</td><td>44 Million Yen</td><td>-1,084.0t /year</td></tr>
<tr><td>Metal processing equipment renewal at Nagoya Area</td><td>35 Million Yen</td><td>-12.4t /year</td></tr>
<tr><td>Cooling water pump renewal at Chita Area</td><td>3 Million Yen</td><td>-529.0t /year</td></tr>
</table>
</td></tr>
</table>