

## Together with Our Employees (Human Rights/ Labor Practices)

Nippon Soda Group focuses its proactive efforts on creating a work environment where human rights are respected, and all employees can find their work meaningful and maximize their abilities.

### Basic concept

- Respect for the dignity and human rights of all people
- Understanding the diversity of cultures, customs, and values and no tolerance for actions that result in discrimination
- Creation of a workplace environment where employees can feel comfortable and fulfilled through our proactive review of personnel and employment systems to ensure the constant improvement of working conditions
- Becoming a company where a diverse team of employees can play an active role with particular emphasis on promoting diversity and improving employee satisfaction

### Nippon Soda Group's human resources development

It is our mission to make Nippon Soda a company where people gather and grow together in order to continue to achieve our sustainable growth. We believe that professional development is the key to a strong human resources foundation. In addition to on-the-job training, our educational and training programs include rank-based training, manager training, early- and intermediate-phase practical training, and specialized training by job function. We also provide training for self-development, including programs to improve language proficiency and acquire qualifications, as well as many other various kinds of training programs.

#### Educational programs (rank-based training)

1. Position G: Management Assistant, Position M II: Manager II, Position M: Manager, Position D: Assistant Manager

Rank	Rank-based training	Training for Line Manager	Core positions		Self-development support
			Administrative work	Specialized work	
Executives	Executives training				
Managers	Position G training <sup>1</sup>	Position M II training <sup>1</sup>	Introduced in FY 2018		e-Learning Correspondence training Language training
	Position M training <sup>1</sup>	Division Managers training Department Managers training		Career Training (Management) Aptitude assessment interview	
Assistant Managers	Position D training <sup>1</sup>	Section Managers training	Career Training (Advanced) Aptitude assessment interview		
Staff employees			Career Training (Basic) Discussion training		
New employees	Orientation training		Follow-up training		
			On-site practical training	Tutor instructions	

### Promotion of diversity

#### Development of diversity policy

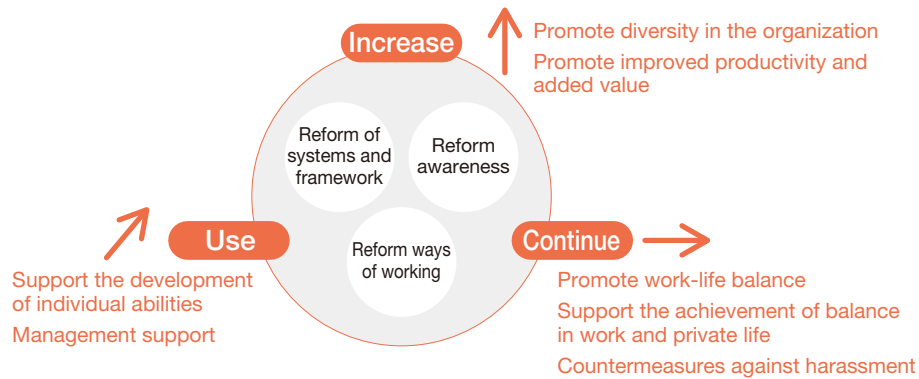
The aim of our Diversity Policy is to develop ourselves by providing diverse people, regardless of gender, age, nationality and presence or absence of disability, with opportunities to gather and exchange different ideas.

#### ● Diversity policy

Nippon Soda considers it necessary for a corporate group to value diversity in order to generate new innovations and increase global competitiveness. In this context, we recognize the promotion of diversity as an important management strategy.

Efforts to promote diversity include transformation of our personnel systems to make full use of our diverse human resources, improvement of the corporate culture and work environment, and implementation of other basic support systems. Through these efforts, we aim to become a company where global-minded, motivated, competent employees can enjoy working and continuously grow and develop regardless of gender, age, nationality, etc.

## Three pillars of promoting diversity



## Major activities in FY 2018

### Use

#### Introduction of the Career Development Support System

##### ● Objectives

- To increase each individual's motivation to take on challenges and help achieve their autonomous career development through respecting their aptitudes and personalities and supporting their growth
- To maximize the organizational capacity through the proper assignment of employees according to their growth
- Career training was provided to managers and employees in their 20s and 30s. (June–August 2017)
- The career vision sheet was developed.
- Communication between supervisors and subordinates was promoted. (August and September 2017)
- Career interviews were conducted. (February and March 2018)

### Continue

#### Continuous publication of articles on diversity-related issues in in-house newsletters (since November 2016)

- Harassment prevention training (all year)
- Lectures on work-life balance in various kinds of rank-based training (all year)
- Measures to promote the taking of paid holidays were implemented at each site.

### Increase

#### Diversity training, harassment training (February 2018)

- Diversity employment was promoted. (all year)



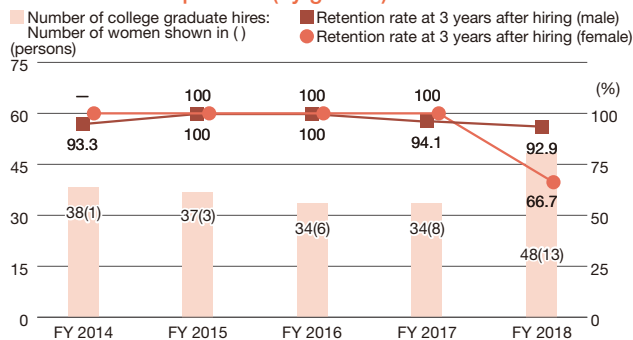
Career training

## Acceptance of diversity

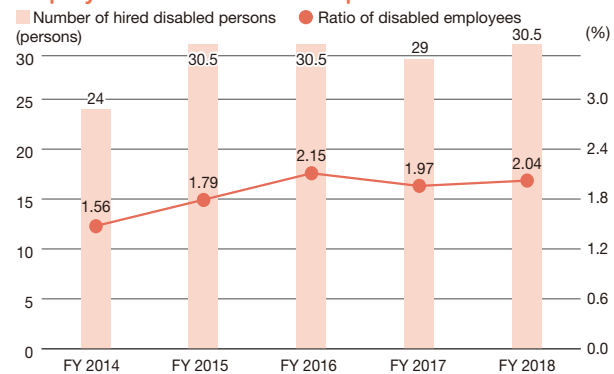
We place emphasis on employing diverse candidates regardless of gender, age, nationality, ability or disability, and regardless of whether they are new graduates or mid-career hires, so as to create a more diverse organization. A group consisting of people with different values should give its members the impetus to broaden their outlook and change their viewpoint.

Workplace diversity training programs designed for directors and executive officers, as well as other specific positions, with the aim of raising their diversity awareness are provided to help them recognize diverse values and to empower individuals and organizations.

### Number of hired persons (by gender) and their retention rate



### Employment rate of disabled persons



## Promoting work-life balance

We are working to create a workplace environment where our employees can continue working despite various lifestyle changes in their lives, such as in relation to giving birth to a child, raising a child, and providing nursing care for ailing family members. We are revising our work regulations and advancing working style reforms in order to create a workplace where our employees can pursue their work without compromising their health, and achieve a good balance between their work and private lives.

### Changes made in FY 2018

#### ● Revision of the working regulations (January 1, 2017)

- After using childcare leave, if there are special reasons such as no availability of daycare centers, a parent is entitled to additional childcare leave of up to one year before the end of the fiscal year when the child turns four years old.
- A male employee is entitled to paid paternity leave of up to five days, for the purpose of encouraging male employees to take childcare leave.
- The reasons for using unused days of paid leave after its expiration have been expanded from personal injury or illness alone to child care, long-term care, fertility treatment, volunteering and other activities.

> The General Employer Action Plan based on the Act on Advancement of Measures to Support Raising the Next Generation of Children

### Change in the number of employees who took child/family care leave

FY	Those who took child care leave (person)		Those who took family care leave (person)	
	Men	Women	Men	Women
2014	1	6	0	0
2015	0	6	0	0
2016	1	2	0	0
2017	2	3	1	0
2018	3	4	0	0

### Change in the number of employees who took maternity/child care leave and the rates of those returning to work and those remaining for three years after returning to work (by gender)

FY	Employees who took maternity/child care leave (employee)		Rate of employees returning to work (%)		Rate of employees remaining with the company (%)	
	Men	Women	Men	Women	Men	Women
2014	1 (1,151)	7 (134)	100	100	—	50
2015	0 (1,144)	5 (137)	—	100	—	83.3
2016	1 (1,137)	2 (142)	100	100	100	100
2017	2 (1,138)	3 (152)	100	100	100	100
2020	3 (1,130)	6 (159)	100	75	100	100

The numbers were counted at the first fiscal year of the leave.

The numbers in brackets are the total numbers of men and women respectively at the end of each fiscal year. Retention rate is for employees who in this fiscal year are in their third year since returning to work.

### Total annual working hours per employee

Normal working hours (hours)	Early start and overtime hours (hours)	Holiday overtime hours (hours)	Paid annual leave days taken (days)	Various kinds of leave days taken (days)	Total annual working hours per person (hours)
1,825.1	130.1	9.1	15.0	1.8	1,763.9