

Together with Our Employees (Human Rights and Labor Practices)

The Nippon Soda Group's long-term vision, "Brilliance through Chemistry 2030," has identified "Enhancement of cost competitiveness and efficiency," "Expansion of overseas businesses," and "Promotion of new product development and entry into new businesses" as key issues. In implementing related strategies, our people are one of our most important management resources. We need to transform ourselves into an organization that further promotes innovation while fully utilizing the strengths we have built up over the years. We are committed to promoting diversity, developing human resources, and creating a rewarding workplace that employees can be proud of, with the aim of building an environment and organization that allows each and every one of our diverse employees to maximize his or her abilities, to grasp changes in society's circumstances, and to work with a positive mindset.

Basic Policy

- Respect for the dignity and human rights of all people.
- Understanding the diversity of cultures, customs, and values and showing no tolerance for actions that result in discrimination.
- With particular emphasis on promoting diversity and the creation of rewarding workplaces that all employees can be proud of, we proactively review our personnel and operation systems to ensure the constant improvement of these systems.

Respect for Fundamental Human Rights

At the Nippon Soda Group, we support and respect international frameworks related to the protection of human rights—such as the ISO 26000 guidance on social responsibility—and ensure thorough compliance with human rights laws in each country, including those related to the prohibition of child labor and forced labor. We also understand workers' rights to collective bargaining, and through discussions between labor and management we are building trustworthy, healthy cooperative relationships.

Promotion of Diversity

Diversity is one of our primary strategies for maintaining a high level of global competitiveness and sustainable growth. We believe that the creation of such a diverse work environment and organization that allows each and every one of our employees to demonstrate their abilities to the fullest extent, to grasp changes in the environment, and to work with a positive mindset will lead to the creation of new innovation.

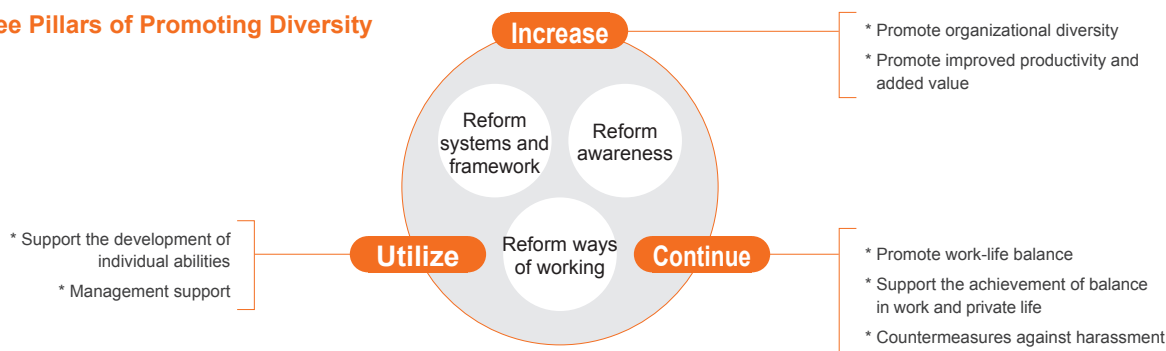
① Diversity policy

The aim of our Diversity Policy is to develop the Company by bringing together diverse people, regardless of gender, age, nationality, race, religion, and presence or absence of disability, while providing opportunities to gather and exchange ideas.

At Nippon Soda, we believe that having a workforce with diverse values is essential for generating new innovations and increasing global competitiveness. In this context, we recognize the promotion of diversity as an important management strategy.

As part of these efforts, we are building a foundation with both tangible and intangible measures, including a shift to a personnel system that makes the most of diverse human resources, improvement of organizational climate, and improvement of the workplace environment. We aim to be a company where motivated and capable people from around the world can thrive and shine, and continuously grow and develop.

Three Pillars of Promoting Diversity



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Major Activities in FY 2021

Utilize Career Development Support Program

Objective

- To increase each individual's motivation to take on challenges and help achieve autonomous career development by respecting their aptitudes and personalities and supporting their growth
- To maximize organizational capacity through the proper assignment of employees according to their growth

Results

- Conducted a presentation on the career education support system (June 2020)
- Career training (July–August 2020)
- Creation of career vision sheet, supervisor interviews (August–October 2020)
- Promotion of communication between supervisors and subordinates
- Career interviews (September–October 2020)

Promotion of Women's Active Participation

- At Nippon Soda, in addition to promoting the creation of a workplace in which women can work comfortably, we are also aiming to build a working environment in which they can thrive. The General Employer Action Plan was prepared based on the Act of Promotion of Women's Participation and Advancement in the Workplace. As a result of efforts under the action plan, we were certified as an "Eruboshi" company in August 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 position-based training (all year)
- Measures to promote the taking of paid holidays were implemented at each site.
- At Nippon Soda we promote a healthy work-life balance. Based on the Act on Advancement of Measures to Support Raising Next-Generation Children, we have formulated an action plan to support both work and childcare. As a result, we acquired the Kurumin certification in October 2020.



Increase

- Enhanced recruitment (all year)
- Employment information meeting for women, update of the recruitment website, employment of disabled people

Articles on diversity in company newsletters



(Diversity is an important management strategy for achieving the sustainable growth of the Company)



(Promotion of diversity and communication in the workplace)



(Diversity, health, and productivity management)



(Diversity-related initiatives for the future)

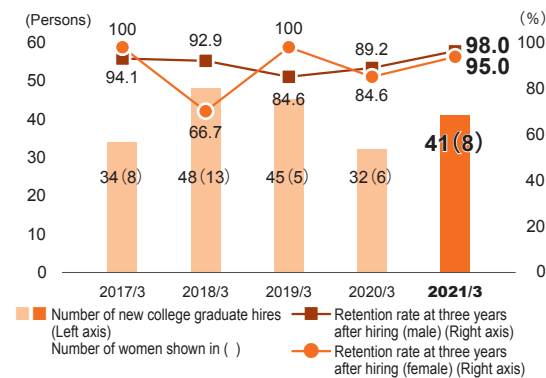
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2 Embracing diversity

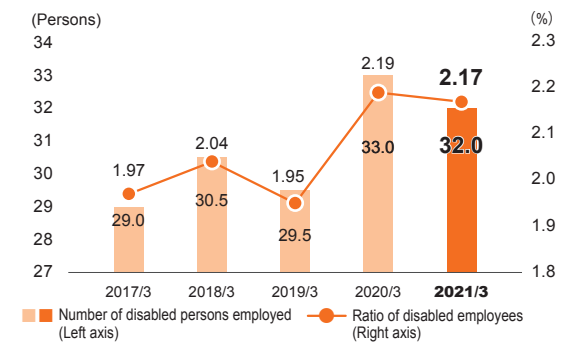
We place emphasis on employing diverse candidates regardless of gender, age, nationality, ability or disability, and regardless of whether they are new graduates or mid-career hires, so as to create a more diverse organization. A group consisting of people with different values should give its members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

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

Number of hired persons (by gender) and retention rate



Number of disabled persons employed and ratio of disabled employees



3 Human rights initiatives at workplaces

The Nippon Soda Group Code of Conduct, which sets out the requirements that all employees of the Nippon Soda Group must follow, clearly states our commitment to respecting human rights and nondiscrimination, and declares that we respect the individuality and personal characteristics of every employee and do not take any action that would result in discrimination. To maintain a healthy work environment free from harassment, we provide employees with position-based training on relevant issues. A harassment complaints office is also available.

Employee Training

Due to the COVID-19 pandemic, in FY2021 we held online harassment seminars a total of thirty times in September and November 2020.

Complaints Desk

At each worksite we have established a harassment consultation desk. Further, in April 2020, we newly established an external consultation desk, the Nisso Harassment and Relationships Hotline, which we set up as a means to enhance reporter privacy.

Participation in harassment seminars

Worksite	Number of participants
Head Office (incl. branches/sales offices)	339
Odawara Research Center	198
Chiba Research Center	45
Nihongi Plant	340
Takaoka Plant	304
Mizushima Plant	56
Chiba Plant	146

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Nippon Soda Group’s Human Resources Development

In order for Nippon Soda to continue to grow in the future, the development of human resources is essential. The foundation of human resources development is education and training. In addition to on-the-job training (OJT) at the workplace, the Company conducts a variety of programs, including position-based training, management training, specialized training by job type, and support for self-development to improve language skills and obtain qualifications as well as other programs.

Educational programs (position-based training)

Position	Age	Position-based training	Training for line managers	Career development support	Self-development support
Executives		Executives training			
Managers	50s	Level 3 Training	Department Managers Training		e-Learning Correspondence Training Language Training
		Level 2 Training			
	40s	Level 1 Training	Section Managers Training		
Assistant Managers	30s	Assistant Managers Training	Team Managers Training		
Staff Employees	30s			Career Training (Advanced) (At 10 years of employment)	
	20s	Follow-up Training		Career Training (Basic) (At 5 years of employment)	
New Employees	20s	Orientation Training		Tutor Instruction (Specialized work) On-site Practical Training (Administrative work)	

Rewarding Workplaces That Employees Can Be Proud of

1 Improving employee satisfaction

The Nippon Soda Group focuses proactive efforts on creating a work environment in which each and every employee feels a sense of fulfillment and can maximize their abilities. We support employee growth, and encourage independent career development. At the same time, we gather feedback from labor unions and other channels on what systems and work environments are desirable to support employee growth, strive to reduce overtime, and take measures to address these issues. In addition, we also provide platforms for reviews so that those in management can work more efficiently. In these and other ways, we are working to build a better workplace environment.

Number of employees who take childcare and nursing care leave

	Employees taking childcare leave		Employees taking family care leave	
	Men	Women	Men	Women
2016/3	1	2	0	0
2017/3	2	3	1	0
2018/3	3	4	0	0
2019/3	5	10	1	0
2020/3	4	4	0	0
2021/3	8	6	1	0

Number of employees taking maternity and childcare leave and the return to work/retention rate

	Employees taking maternity and childcare leave		Rate of employees returning to work (%)		Retention rate (%)	
	Men	Women	Men	Women	Men	Women
2016/3	1 (1,137)	2 (142)	100	100	100	100
2017/3	2 (1,138)	3 (152)	100	100	100	100
2018/3	3 (1,130)	6 (159)	100	75	100	100
2019/3	5 (1,143)	12 (168)	100	100	100	100
2020/3	4 (1,143)	4 (170)	75	100	100	100
2021/3	8 (1,220)	6 (176)	100	100	75	100

The number of employees who have taken the leave is counted in the period in which they started maternity/postpartum leave and childcare leave. The numbers in parentheses are the total numbers of men and women, respectively, at the end of each period. Retention rate is for employees who in that period were in their third year since returning to work.

Total annual working time per employee

Scheduled working hours	Early start and overtime hours	Holiday working hours	Paid annual leave days taken	Other paid leave days taken	Total annual working hours per person
1,823.6	79.0	4.5	14.6	1.9	1,777.8

* Calculation period: FY 2021 (April 2020-March 2021)

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2 Promoting work-life balance

We are working to create a workplace environment where our employees can continue working despite various lifestyle changes, such as childbirth, 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.

► Work-life balance measures

3 Measures to maintain and improve health

Nippon Soda conducts various initiatives related to health maintenance and improvement in order to ensure our employees work with healthy bodies and minds.

Physical health

We implement health programs jointly with the corporate health insurance society. Specifically, with the cooperation of occupational physicians, we conduct specific health examinations, specific health guidance, and health checkups for lifestyle-related diseases.

Mental health

Since prior to the 2015 amendment to the Industrial Safety and Health Act, Nippon Soda has been providing stress checks for all employees, and has a consultation service available through specialized physicians, clinical psychologists, and external organizations.

4 Labor-management relations and improvement of working conditions

The Company views negotiations with labor unions as an opportunity to engage in dialogue with its employees, and to discuss how to create working conditions that are consistent with the times. We are creating an environment in which employees and management can discuss issues and problems in the workplace.

Number of labor union members

	Number of labor union members (Persons)	Average age (Years)	Average length of service (Years)	Percentage of members (%)
2016/3	844	40.4	18.9	64.8
2017/3	820	39.3	17.6	63.3
2018/3	824	37.9	15.8	62.7
2019/3	840	37.7	15.6	63.7
2020/3	853	37.9	15.8	65.0
2021/3	940	39.1	16.7	67.4

* Nippon Soda (non-consolidated)