

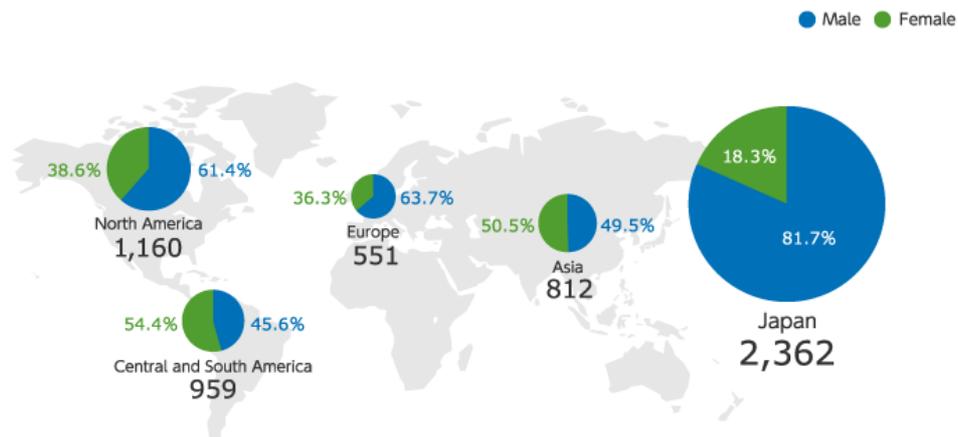
Respect for Diversity

The Nissha Group has a set of [Shared Values](#) that serve as a code of behavior for Nissha People seeking to realize our mission. One of those values, Diversity and Inclusion, declares, "We welcome diverse capabilities interacting as equals and enhancing our organizational performance." To grow as a global company, we respect diverse work styles by diverse human resources, and aim to create workplaces in which all employees can perform to their full potential.

Composition of "Nissha People"

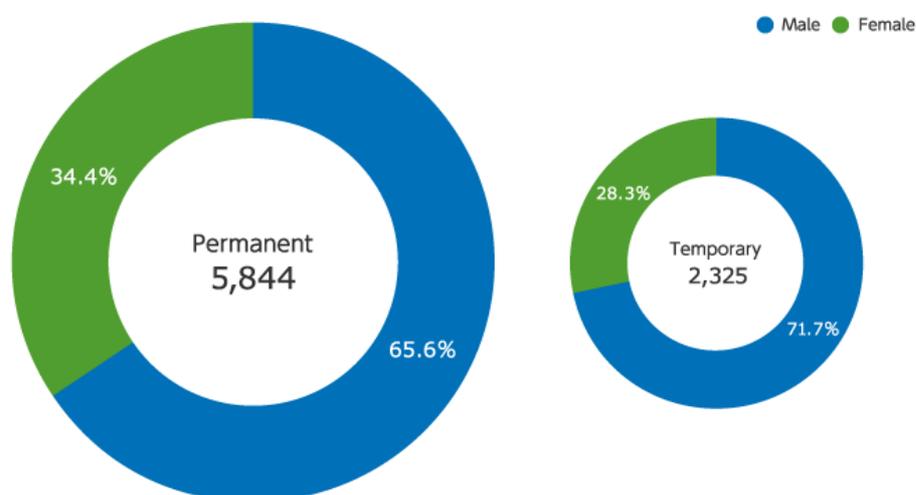
The diversity of the Nissha Group shows in our employee composition in terms of gender, age, and employment status. With the expansion of our activities across the globe, about 60% of regular employees work at Nissha Group companies outside Japan. We hire a diverse range of people on a global basis. Locally hired employees are appointed to upper management positions such as CEO at eight local subsidiaries of the Nissha Group's overseas bases, where they are deeply involved in management.

Composition by region (Nissha Group, as of the end of December 2018)



* Figures exclude temporary employees.

Composition by employment status (Nissha Group, as of the end of December 2018)



* Figures exclude directors by a delegation agreement.

Composition of Nissha People (Nissha Co., Ltd.)

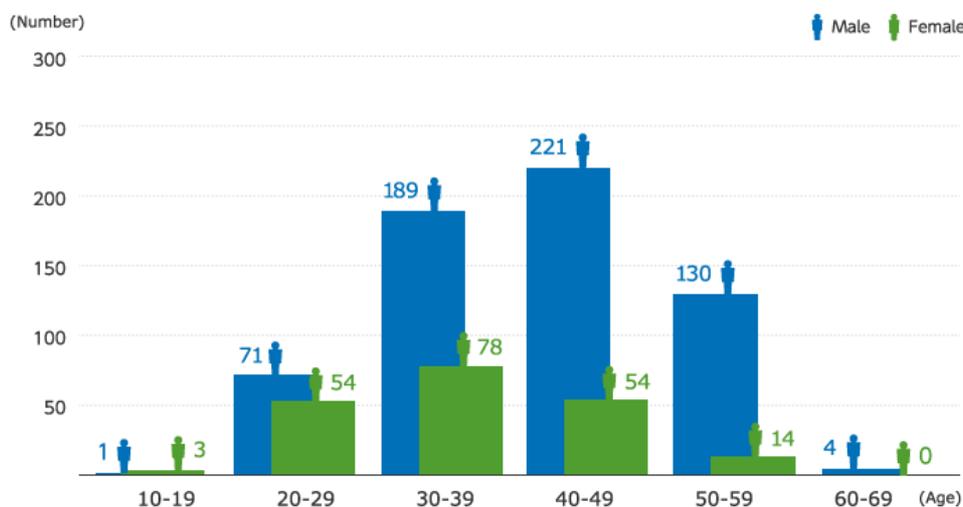
Fiscal Year	Gender	Directors of the Board	Corporate officers	Nissha fellows	Managerial staff	Employees	Average age	Average years of employment
FY ended Mar. 2015	Male	6	13	1	204	760	41.4	15.2
	Female	1	0	0	7	195	34.7	9.3
FY ended Mar. 2016	Male	6	15	1	153	610	41.1	13.7
	Female	1	0	0	7	180	35.0	9.8
FY ended Mar. 2017	Male	7	18	1	154	619	41.5	13.9
	Female	1	0	0	7	183	35.4	10.2
FY ended Dec. 2017	Male	7	15	1	165	603	41.8	14.1
	Female	1	0	0	9	188	35.9	10.7
FY ended Dec. 2018	Male	8	12	1	161	616	42.1	14.5
	Female	1	0	0	11	203	36.5	10.7

Note 1: Directors include independent directors.

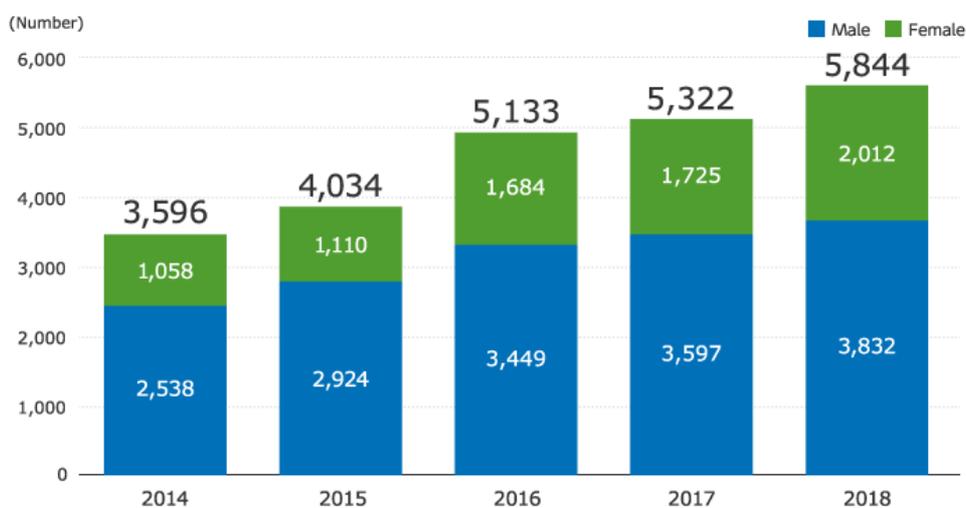
Note 2: Employees exclude temporary employees.

Note 3: All figures are as of the end of the fiscal year. z

Composition by age (Nissha Co., Ltd., as of the end of December 2018)



Number of employees (Nissha Group)



* Figures exclude temporary employees.

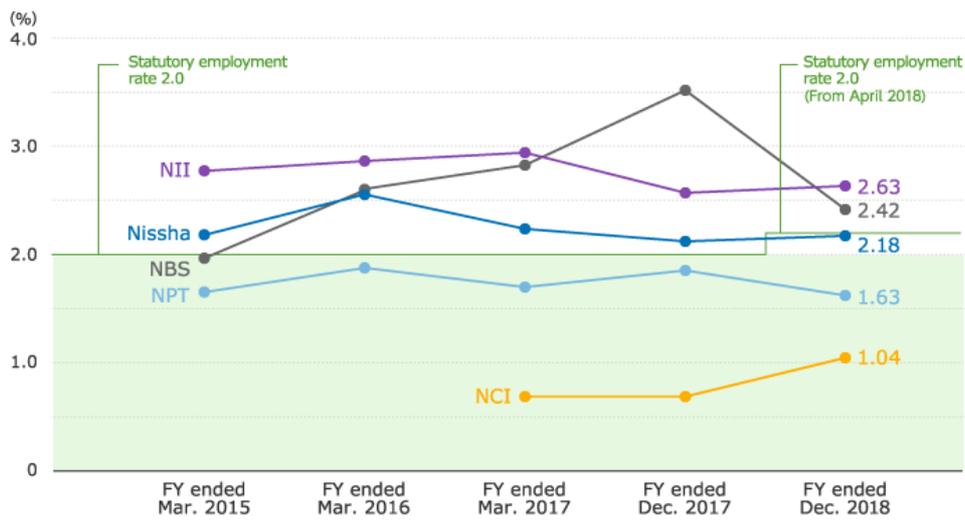
Of all permanent employees who left Nissha Group companies in Japan in the fiscal year ended December 2018, 3.1% left for personal reasons.

Percentage of People with Disabilities Employed at Major Group Companies in Japan

Private enterprises in Japan with 45.5 or more employees, as a rule, are required to employ a given percentage of people with disabilities. Nissha Group companies that fall under this category each work to meet the statutory rate. At Nissha Co., Ltd. and affiliated companies subject to the rule, Human Resources organizes regular interviews with employees with disabilities and strives to maintain an environment where they can perform to their potential. The company also has a system for appointing permanent employees taking into consideration their disability, and assigning job coaches to support the development of potential, toward long-term employment in tune with the capabilities and circumstances of individual employees.

People with disabilities accounted for 2.18% of the Nissha workforce as of December 31, 2018, for a slight decrease compared to the previous fiscal year. Those employed at Nitec Industries, Inc. (NII) increased slightly, to 2.63%.

Each applicable group company plans to continue making efforts to meet and maintain the target statutory rate.



* With the change in fiscal year and date, the fiscal year ended December 2017 covers a nine-month period (from April to December).

* The statutory employment rate for people with disabilities in private company is 2.2% since April, 2018.

Women Employees' Participation in Business

Activities toward Expanding Women's Participation in Business

True to the Diversity and Inclusion cited in our Shared Values, Nissha Group aims to be a corporate group where employees can live up to their potential regardless of nationality, gender, or age. Amid growing demand in Japanese society, we recognize women's participation in business as a particularly important priority, and to this end launched a project team led by Human Resources in July 2014. Nissha Co., Ltd., Nitec Industries, Inc. (NII), and Nitec Precision and Technologies, Inc. (NPT)—three companies are subject to the Act on Promotion of Women's Participation and Advancement in the Workplace (Women's Participation Act), which came into effect in April 2016. But our activities extend beyond these three companies across the Nissha Group as a whole.

Practical Training for Women Employees

In order to promote women's participation in business, we believe it is crucial both for the management to recognize the necessity of promoting women's participation in business and taking advantage of diversity, and to raise the awareness of women employees themselves. To this end, we kicked off training for the management in the fiscal year ended March 2016, and career development training for women employees in general positions at a majority of our bases in Japan from the fiscal years ended March 2017 to December 2018. In the past fiscal year, we also organized training for women manager candidates.

The training for women employees in general positions seeks to instill awareness of a career plan. It encourages participants first to understand the significance of working at Nissha and necessity of continuing to take on challenges and building a career over the long term, and then to reflect on their career to date, identify their strengths, and create an action plan for the future.



In a follow-up program, interviews were arranged between the participants and their respective superiors to discuss what challenges the women wanted to take on for enhancing their sense of job fulfillment. This dialogue helps to deepen understanding of women employees in managers, and at the same time offers both the managers and the women employees the opportunity to practice what they learned in training. Not merely approaching individuals but promoting communication between them thereafter—we believe this makes the training more effective.

The career development training for women manager candidates followed the same contents as for general employees, with the addition of studies on what it takes to draw on one's strengths while serving as leader, and an exchange of views between the participants.



Enhancement of Systems and Communication Tools

In November 2016, we established a system for sharing with employees the expense of using non-registered childcare facilities. Employees in Japan who wish to be reinstated at work after taking child-rearing leave often have difficulty enrolling their child in day care service registered with the municipality, as mass enrollment closes in April, and the next opportunity seldom arrives before April of the following year. The system covers part of the expense of temporarily enrolling a child in a non-registered childcare facility until an opening becomes available at a registered facility, with the aim of supporting employees' quick reinstatement at work at the timing of their choice. An employee using the system has been reinstated at work since January 2016.

In January 2018, we introduced a career resumption program for re-hiring employees who have once had to retire due to reasons such as marriage, childbirth, child-rearing, spouse's job transfer, and family care. This is designed to support the rebuilding of a career path for employees who wish to return to Nissha and use the experience and expertise they gained before retirement. After the introduction of this system, three people have registered at retirement.

Major Initiatives to Date

FY ended March 2015	<ul style="list-style-type: none"> • Launch project team • Interview women employees • Distribute Work-Life Balance Support Guidebook
FY ended March 2016	<ul style="list-style-type: none"> • Open NISSHINE portal site • Administer employee questionnaire • Organize forum on women's participation in business

	<ul style="list-style-type: none"> • Conduct training for management (department directors and above)
FY ended March 2017	<ul style="list-style-type: none"> • Establish system for sharing the expense of using non-registered childcare facilities • Conduct training for management (all managers including group leaders) • Conduct career development training for women employees
FY ended December 2017	<ul style="list-style-type: none"> • Conduct career development training for women employees • Conduct training for women manager candidates
FY ended December 2018	<ul style="list-style-type: none"> • Conduct training for women manager candidates • Conduct training for management (all managers including group leaders) • Start operation of career resumption program for re-hiring employees who have once retired due to specified reasons

Declaration on Action by a Group of Male Leaders who will Create a Society in which Women Shine

In May 2017, Nissha Co., Ltd. President and CEO Junya Suzuki joined the “Declaration on Action by a Group of Male Leaders who will Create a Society in which Women Shine,” supported by the Cabinet Office.

While a nationwide movement headed by industry leaders to support women who will and do shine in various fields, male leaders who had already been promoting the empowerment of women compiled the “Declaration on Action by a Group of Male Leaders who will Create a Society in which Women Shine.” The President and CEO Junya Suzuki agreed to this action and expressed participation.

Action Plan for the Japanese Act on Promotion of Women’s Participation and Advancement in the Workplace

The Japanese Act on Promotion of Women’s Participation and Advancement in the Workplace requires companies with 301 or more employees to draft an action plan for promoting women’s participation in business. In the Nissha Group, three companies fall under this category: Nissha Co., Ltd., Nitec Industries, Inc., and Nitec Precision and Technologies, Inc. One more company, Nissha Printing Communications, Inc., has voluntarily formulated an action plan in line with our aim to create an environment in which all employees can live up to their full potential across the entire Nissha Group.