

---

## Support for Diverse Work Styles

True to the Diversity and Inclusion cited in our Shared Values, we in the Nissha Group embrace and take full advantage of diverse values and capabilities. In addition, we are implementing work style reforms with the aim of improving productivity, along with enhancing systems and promoting the creation of a workplace that supports diverse and flexible work styles. These are some of the ways we provide support to help our employees achieve a work-life balance.

---

### Flexible Work Hours

We have in place flexible work hours as a mechanism in which employees can voluntarily determine their own start and finish times of the working day. The aims of the system include responding flexibly to the time difference between Japan and overseas, to deadlines, and to the busy and slow hours of the working day, and enabling employees to maintain harmony between work and life. Initially introduced in sales departments, the system was expanded gradually to other divisions and today benefits employees also in development and administration.

---

### Work at Home System

In fiscal year ended March 2015, we introduced a work-at-home system with the aims of promoting harmony between employees' work and life, and improving their work efficiency. The system enables employees living with a child before completion of elementary school and employees providing family care to work at home either on two full days a week or for a number of hours a day. In the fiscal year ended December 2018, fifteen employees used the system (twelve for child-rearing, one for family care, and two for other reasons).

---

### Support for Reinstatement after Long-term Leave

For employees reinstated at work after long-term leave due to illness or injury, we set forth the consideration to be taken by workplaces according to the condition of the employee's health in an aim to prevent recurrence of the illness or injury and achieve a smooth return to work. We arrange periodic consultations with an industrial physician to confirm the considerations necessary in the workplace, and have a system in which reinstated employees may shorten their work time by up to two hours per day for a period of six months.

---

### Child-rearing and Family Care Support

We are working to expand our support systems and enable employees to have flexible work styles in the various stages of life. By drafting an action plan and executing a range of measures based on the Act on Advancement of Measures to Support Raising Next-generation Children, many of our efforts in child-rearing support exceed statutory guidelines.

### Major child-rearing support systems

Support system	Nissha Group in Japan	Statutory coverage
Shorter hours during pregnancy	During pregnancy (up to maternity leave before childbirth) Up to 3 hours per day	—
Child-rearing leave	Up to 2 years old	As a rule, up to 1 year old (1 year 6 months old when certain conditions are met)
Days off for spouse's childbirth	5 days at the time of spouse's childbirth (Special paid leave)	—
Shorter hours for child-rearing*	Up to completion of elementary school Up to 3 hours per day	Up to 3 years old By effort: Start of elementary school
Days off for child nursing	1 child: 5 days 2 or more children: 10 days Paid Up to start of elementary school: paid From the first to sixth grade: unpaid	1 child: 5 days 2 or more children: 10 days Either paid or unpaid
Child-rearing support fund	Amount: 150,000 yen (for each occasion below) Period • Birth • Start of elementary school • Start of junior high school • Start of senior high school • Start of technical college	—

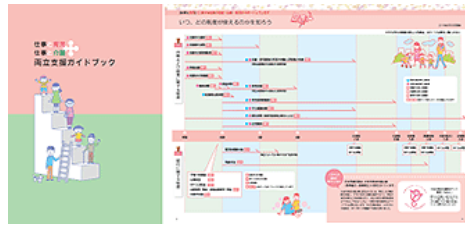
### Major family care support systems

Support system	Nissha Group in Japan	Statutory coverage
Family care leave	Total 240 working days	Total 93 days
Shorter hours for family care*	Three years from starting date 3 hours per day	Three years from starting date
Days off for family care	1 family member: 5 days 2 or more family members: 10 days Paid	1 family member: 5 days 2 or more family members: 10 days Either paid or unpaid

We also have in place a system in which employees may save up to 30 days of expired leave to be used in the event of illness, either of the employee or of a family member, and for child-rearing, family care, school events, and days on which a child's kindergarten or school is closed.

## Distribution of Work-Life Balance Support Guidebook

To support our employees in achieving work-life balance, we created a Work-Life Balance Support Guidebook containing information on both in-house and outside systems for child-rearing and family care. The first edition was distributed to all employees in October 2014, and a revised edition in May 2017. The contents are published on the Nissha Group intranet since April 2015, and useful information on welfare services were added in April 2016.



## Kurumin Certification

Nissha has received "Kurumin" certification for three consecutive terms since the fiscal year ended March 2010, for a total of 11 years, and in March 2019 we were certified with Platinum Kurumin.

Based on the Act on Advancement of Measures to Support Raising Next-generation Children, "Platinum Kurumin" is a system to certify companies that have already obtained Kurumin certification in recognition of their measures to support employees with children and are carrying out initiatives at an even higher level. This certification was in recognition of our introduction of systems to support a balance between work and child-rearing for both men and women, our initiatives to reduce overtime work, our ongoing seminars on topics related to the promotion of women in the workplace, and so on. Within the Nissha Group, Nissha Business Service Co., Ltd. (NBS) received Kurumin certification in 2015, followed by Nitec Precision and Technologies, Inc. (NPT) in 2016.



Kurumin Logo

We shall continue aiming to create a workplace where each employee can work energetically, enjoying a rich life where work and child-rearing are balanced.

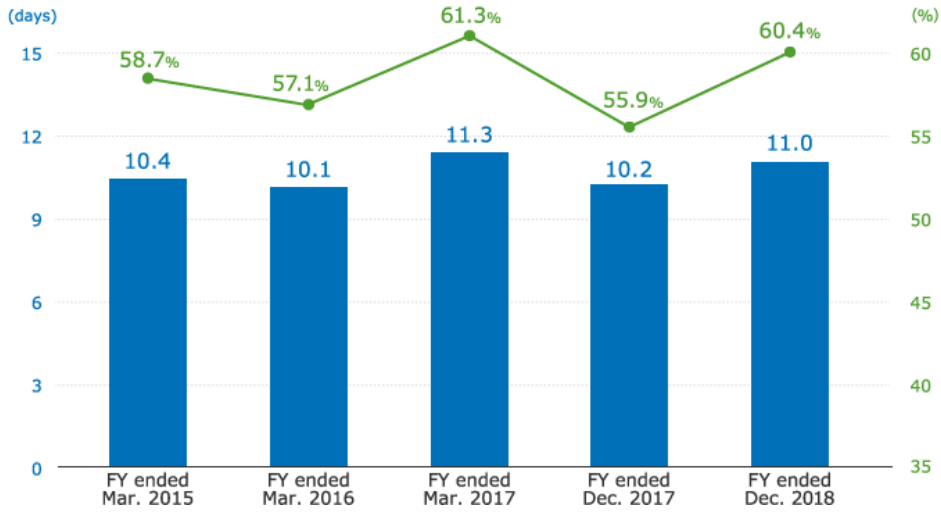
## Status of Major Long-term Leave and Time Taken Off from Work (Nissha Group in Japan)

### Promotion of the Use of Annual Paid Leave

To promote the use of annual paid leave, we encourage employees to take four days a year, two days each in the first and second halves, under the Annual Paid Leave Plan. Also, we offer a further two days in which employees may request to take paid leave on their birthday, that of a family member, or their wedding anniversary. As a result of ongoing efforts, the average paid leave taken exceeds 10 days per year.

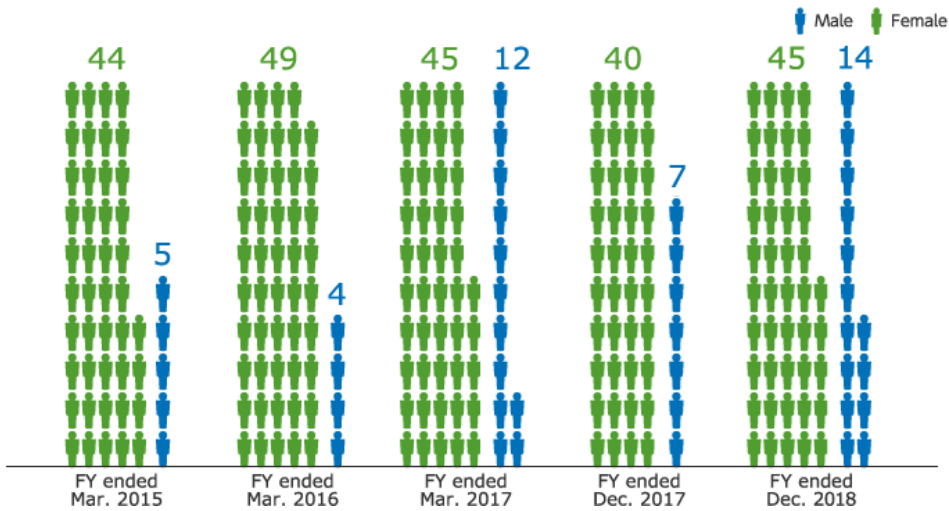
Moving forward, we are considering introducing paid leave by the hour as a mechanism for facilitating more flexible use of paid leave and supporting employees' efforts to balance child-rearing and family care with work.

### Average days and percentage of annual paid leave used (Nissha Group in Japan)

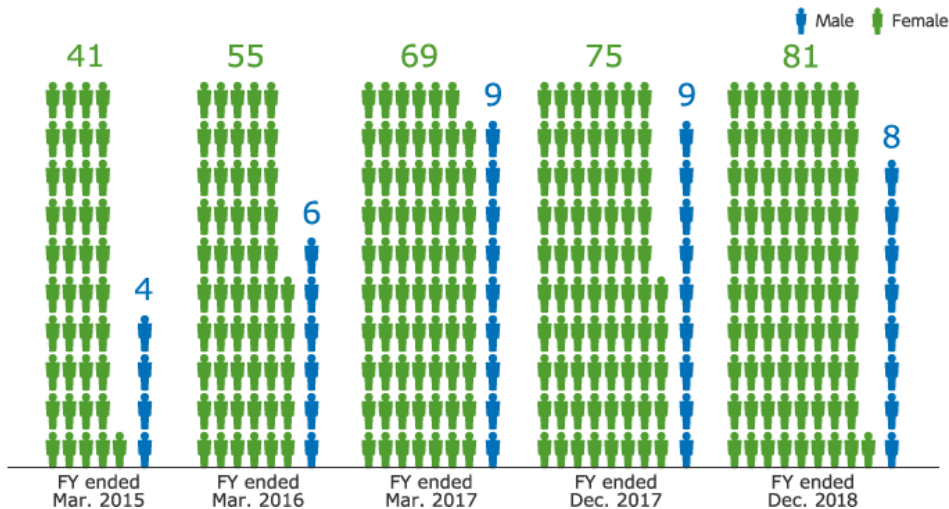


The number of employees who used child-rearing leave, worked shorter hours for child-rearing, and took days off for child nursing are given in the graphs below.

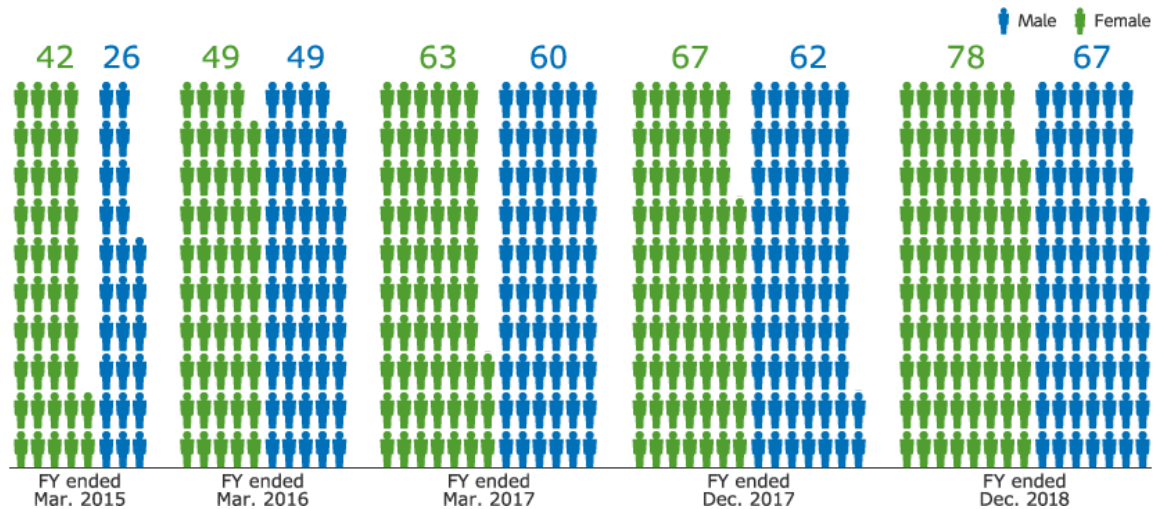
### Number of employees who used child-rearing leave



### Number of employees who worked shorter hours for child-rearing



## Number of employees who took days off for child nursing



Reinstatement rate after child-rearing leave: Male 100%, Female 100%

Reinstatement rate = Number of employees reinstated after child-rearing leave in the current fiscal year ÷ Number of employees expected to be reinstated after child-rearing leave in the current fiscal year x 100

Retention rate after child-rearing leave (1 year): Male 83.3%, Female 96.4%

Retention rate = Number of employees remaining at the end of December in the current fiscal year after being reinstated after child-rearing leave in the previous fiscal year ÷ Number of employees reinstated after child-rearing leave in the previous fiscal year

## Number of employees who used family care leave

The number of employees who used family care leave, worked shorter hours for family care, and took days off for family care are given in the table below. We are making efforts to raise employee awareness of our efforts to support diverse work styles in an aging society by distributing the Work-Life Balance Support Guidebook containing information on both in-house and outside systems for family care, and publishing the contents on the Nissha Group intranet.

Support system	Gender	FY ended March 2015	FY ended March 2016	FY ended March 2017	FY ended December 2017	FY ended December 2018
Family care leave	Male	0	0	0	0	1
	Female	0	0	0	1	0
Shorter hours for family care	Male	0	1	1	0	0
	Female	0	0	0	1	1
Days off for family care	Male	1	4	7	9	8
	Female	2	4	5	7	8

## Outpatient Sick Leave System

In fiscal year ended March 2016, we introduced an outpatient sick leave system with the aim of supporting employees who require long-term outpatient treatment to continue working. The system enables employees with specified disorders to take 10 days off per year for treatment. Two employees used the system in fiscal year ended December 2018.

## Reduction of Overtime Work

Nissha Group companies in Japan promote the reduction of overtime work on an ongoing basis. Twice a month, we notify all divisions of overtime hours recorded.\* Managers use this information to provide a reminder about overtime work to employees in their division. Divisions that recorded a large amount of overtime work are questioned as to the causes and the physical condition of employees in an effort to improve awareness about work time management. In the fiscal year ended December 2018, we started sending alert e-mails from our human resources system to employees who are working too long each day or taking too much overtime, and their managers.

Moving forward, we will work to further reduce overtime work and at the same time aim to produce greater results without relying on long work hours, in line with our basic group-wide strategy of improving productivity.

\* The Japanese government's guidelines for promoting work-life balance set a nationwide target of reducing the percentage of employees who work more than 60 hours per week to 5.0% by 2020. With this in mind, all Nissha Group companies in Japan are working to manage work hours on a weekly basis.

## Internal Job Posting System

The Nissha Group introduced an internal job posting system in fiscal year ended March 2012 with the aim of providing employees with the opportunity to choose their own career path as well as appoint employees to positions that reflect their aptitude and thereby enhance our organizational strength. The company posts specific job openings internally, employees who meet the criteria apply for the job of their own will, and those who pass the screening are transferred to the relevant post. Employees who have transferred through the system are playing an active role in their new division.

### Status of utilization

Fiscal Year	FY ended March 2015		FY ended March 2016		FY ended March 2017		FY ended December 2017		FY ended December 2018	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Number of job posting	27		8		0		0		15	
Successful applicants (transferees)	3	3	1	0	-	-	-	-	2	1

\* Job openings posted twice a year up to FY ended March 2015, and once a year since FY ended March 2016

## Awarding system

The Nissha Group has in place various awarding systems that aim to reward praiseworthy endeavors and create a setting in which the employees responsible for the endeavors influence and motivate the company and organizations as a whole.

In the fiscal year ended December 2018, 33 employees received the Passion Award, given to those groups or individuals who boldly tackle challenges with passion to ensure the success of a project, and 220 employees received the Nissha People Award celebrating workplace stars who epitomize our Shared Values. The awards are presented globally across the Nissha Group, with recipients including employees at overseas bases.