



Employment

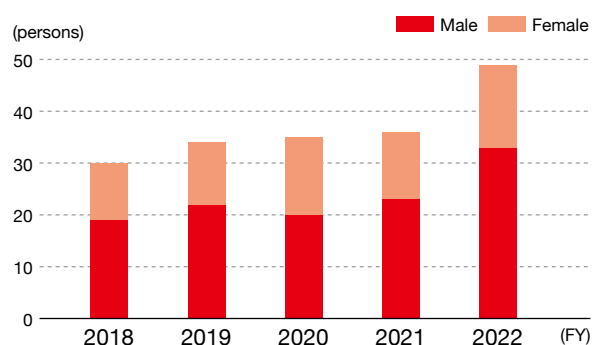
New Employee Hiring / Turnover / Succession Plans / Raising of the Retirement Age

GRI 2-7/401-1

New employee hiring

NOF focuses on hiring and training diverse human resources to realize its Corporate Philosophy. NOF actively recruits new graduates and mid-career workers by devising recruitment methods and enhancing the company profile and recruitment information on its website.

Total number of male and female new graduate career-track employees (NOF)



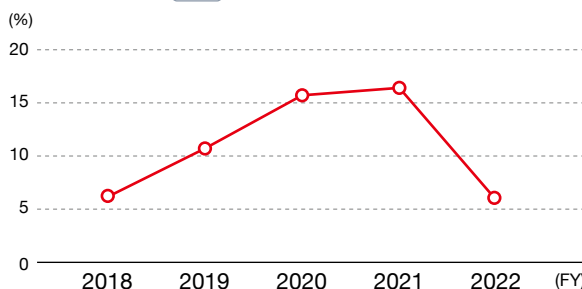
* Data for employees who entered the company on April 1.

Turnover

We are striving to prevent employee turnover by further promoting the creation of a comfortable work environment through measures such as improving job satisfaction through self-reporting and dialogue during evaluations, implementing various systems to promote work-life balance and stress checks, and expanding support systems for balancing work with childcare, nursing care, medical treatment, etc.



Turnover rate of new employees within 3 years of employment (NOF)



* Based on the data as of March 31, 2023.


Succession plans

The development of personnel who can carry out management and the realization of highly transparent appointments are important matters required by the Corporate Governance Code. NOF is focusing on training the next generation of management candidates to ensure sustainable value creation through growth.

Raising of the retirement age

NOF has established a continuous employment system for re-employment of retirees and has been utilizing it as an important measure to secure employment opportunities for older workers. Through the operation of this system, we have created opportunities for self-fulfillment after retirement and enabled retirees to demonstrate their skills and experience. We have decided to raise the retirement age to 65 years old from fiscal 2023 in order to further utilize human resources.



NOF is developing a work environment in which employees can work with motivation while attaching due importance to the work-life balance between work and non-work activities including childcare, nursing care, hobbies, studies, rest, and community activities. In light of the importance NOF attaches to the work-life balance of its employees, it has adopted systems to provide specific support shown in the table on the right. The items with the  symbol in the table indicate NOF's own systems or systems that go above and beyond the scope of law.

- *1 In the case of childcare, the systems apply for employees raising a child up to the third grade of elementary school.
- *2 The cumulative saved leave is a system in which expired yearly paid holidays may be accumulated. This may be used for personal illness or injury, childcare, nursing of a family member, nursing care, self-education/development, or volunteer activities.
- *3 Can be taken in hourly increments.
- *4 The short hour work system, flex-time system, fertility treatment leave, and the like may be taken.

Systems that support diverse working styles NOF

Childcare support		Support for raising the next generation	
Pregnancy	Childbirth	Childcare	Nursing care
Limitations on and exemptions from overtime*¹, limitations on night work*¹			
Later or earlier work start or finish times*¹			
Limitations on work on holidays		Childcare leave at time of childbirth; childcare leave (up to 2 years, may be partially paid)	Nursing care leave (can be taken 3 times, up to 365 days)
Consideration to and reduction of workload		Career and childcare balance support program	Nursing care leave*³ (10 days per year)
Hospital visit leave (may be paid leave)		Child nursing leave*¹ (10 days per year)* ³	
Prenatal and postnatal leave		Childcare hours (paid)	
Support for balancing fertility treatment and work*⁴			
Other			
Yearly paid holidays (up to 23 days)			
Yearly paid half work days			
Cumulative saved leave*²			
Refresh leave (incentive leave for long-term employees)			
Flex-time system			
Discretionary work system (R&D position employees)			
Support for self-education/development			
Sports and culture activities			
Work-from-home system			



Employment | Promotion of work-life balance

GRI 403-6

Workstyle reform

NOF is working to ensure proper labor management with a view to reducing work hours by improving operational efficiency and productivity and promoting fulfilling lifestyles outside of work, while making efforts to reduce work hours mainly through restricting work after the designated time and introducing a work interval system.

Recommending employees to take yearly paid holidays

NOF is developing a work environment in which employees can work with motivation while attaching due importance to work-life balance. NOF encourages all employees to take their yearly paid holidays. Additionally, one such initiative is to encourage them to take yearly paid holidays in their respective birth months, and in this way an

atmosphere that makes it easier to take yearly paid holidays is developed in the work environment.

Refresh leave system (incentive leave for long-term employees)

NOF provides a system under which employees who have worked with the Company for 10, 20 or 30 years are given seven consecutive paid holidays (which otherwise would be workdays) so that they can refresh themselves both mentally and physically away from everyday duties, and find opportunities to expand their fields of vision and to increase their flexibility of thinking.

Days on which employees are encouraged to leave work on time

NOF encourages employees to work efficiently and sets one day or more of the week as a day on

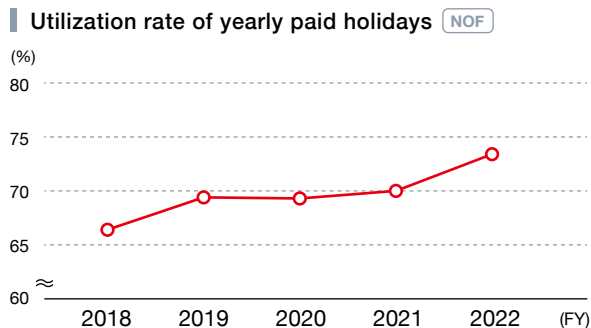
which employees are encouraged to leave work on time on a company-wide basis.

Volunteer leave system

NOF has established a system that allows employees to use cumulative saved leave, which they accumulate expired yearly paid holidays, when participating in volunteer activities at the request of the national and local governments, etc.

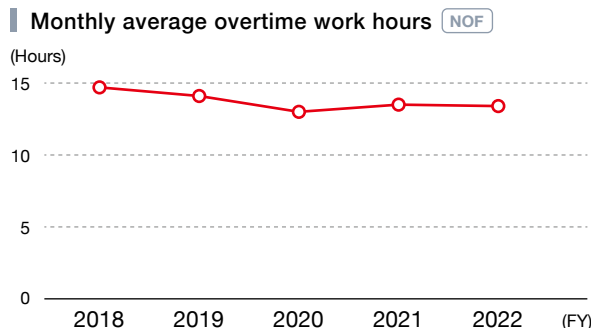
Utilization rate of yearly paid holidays

FY2022 **73.4%**



Monthly average overtime work hours

FY2022 **13.4 hours**



* Based on the data as of March 31 each year.

* The utilization rate of yearly paid holidays is calculated for the period from September 21 of the previous year to September 20 of the current year (12-month period to take yearly paid holidays at NOF).



Childcare support program

A "career and childcare balance support program" was introduced at NOF from April 2016. Under this program, throughout periods of childcare leave, there is regular distribution via the Internet of useful information on childcare as well as information on events to lift one's spirit during the struggles of childcare. There is also a contact point for childcare consultations, providing multi-faceted support for childcare. In addition, as the latest internal company information is regularly distributed and a wide range of contents for brushing up business skills are provided, this program supports a balance between childcare and work by assisting with skill improvements during childcare leave and a smooth return to work. The program has been used by many employees, including male employees, and has a favorable reputation.



Rate of utilization and number of people utilizing childcare leave

FY2022 **Men 95.2%** (40 people)
Women 100% (8 people)

Support for raising the next generation (Support for childcare and nursing care)

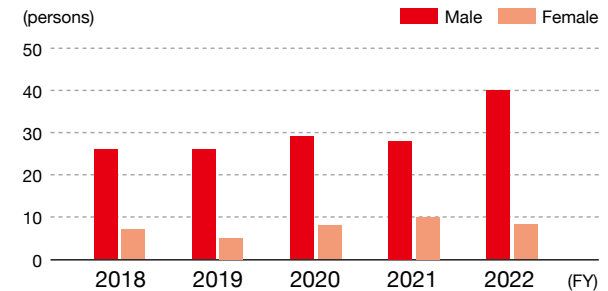
NOF provides a system that makes childcare / nursing care and working compatible with each other, and has proactively adopted support measures including raising the age limit of children for eligibility for the short hour work system and extending the duration of the nursing care leave and childcare leave.

In June 2010, as its initiatives and records in the implementation of the action plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children were appreciated, the Tokyo Labor Bureau recognized NOF as an "enterprise active in supporting childrearing." In our subsequent action plan, we have been promoting the utilization and implementation of childcare leave for our male employees as an initiative aimed at establishing an environment that facilitates a balance between work and childcare / nursing care.

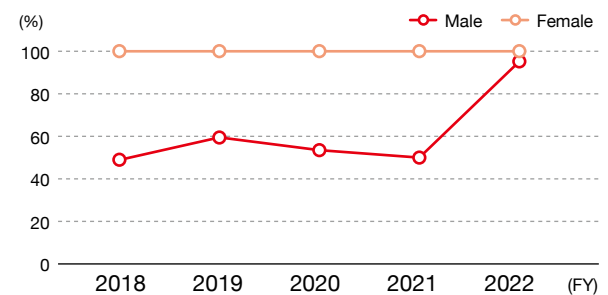
The requirements for utilizing cumulative saved leave were expanded for nursing and nursing care from April 2016. In April 2017, NOF prepared a handbook that summarized information such as basic knowledge of the Long-Term Care Insurance System, how to balance work and nursing care, and internal systems related to nursing care, to enable employees to continue working and achieve balance when they face nursing care.



Employees utilizing childcare leave (NOF)



Rate of utilization of childcare leave (NOF)



* Based on the data as of March 31 each year.

Nursing care leave system

We have a nursing care leave system in place. No employees took this leave during the five-year period from fiscal 2018 to fiscal 2022, but we are working to understand the issues, such as how easy it is to utilize the leave.