Securing Human Resources and Diversity & Inclusion | Work-Life Balance

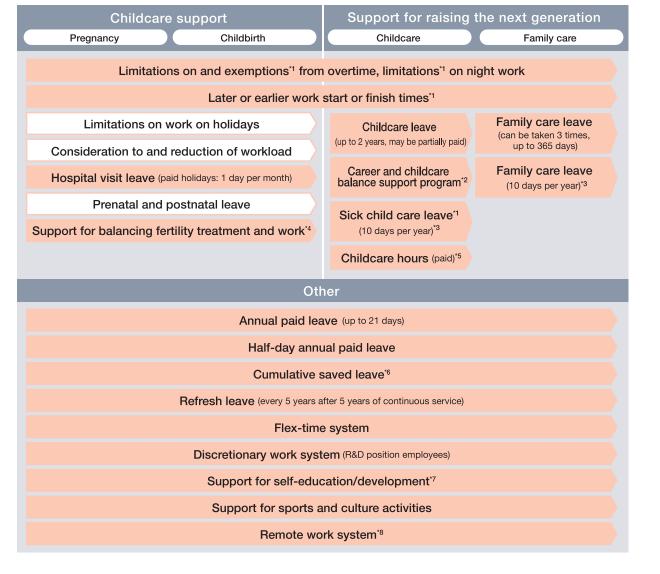
2-7/401-3/403-6/405-1

Promotion of work-life balance

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, family 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 We have introduced the online service "wiwiw" (provided by wiwiw.inc) that supports balancing careers and childcare for employees taking childcare leave. By making this service available to those taking maternity or childcare leave, we help them achieve a balance between their careers and raising children.
- *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.
- *5 Female employees raising an infant less than one year old are entitled to paid childcare hours twice a day (30 minutes per time).
- *6 Cumulative saved leave is a leave system in which a certain number of unused annual paid leave can be carried over each year. This may be used for personal illness or injury, childcare, family care leave, family care, self-education/development, volunteer activities, or refresh leave (service leave).
- *7 We support self-education/development by providing support for "correspondence courses" in which each employee is allowed to choose his/her own training options, and by establishing a system that allows employees who have worked continuously at the Company 10 years or more to use cumulative saved leave when they participate in external training for 10 or more consecutive days for self-education/development.
- *8 Up to two remote work days are allowed per week with prior approval. In addition, with prior approval, employees are allowed to shift their working hours up to two hours earlier or later.

Systems that support diverse working styles NOF



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Securing Human Resources and Diversity & Inclusion

Work-Life Balance / Rewards and Recognition

GRI 2-7/405-1

Workstyle reform

Based on proper labor management that aims to help employees have fulfilling lifestyles outside of work, NOF is advancing initiatives to reduce overtime work by improving operational efficiency and productivity, restricting work after the designated end time, and introducing a work interval system.

Recommending employees to take annual paid leave

NOF is developing a work environment in which employees can work with motivation while attaching due importance to work-life balance. To promote the use of annual paid leave, we encourage all employees to take annual paid leave during

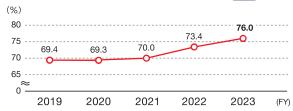
Utilization rate of annual paid leave

FY2023 **76.0**% •

2025 (targets) **75**% or more

Utilization rate of annual paid leave for NOF and its five domestic consolidated companies: 77.1%

Utilization rate of annual paid leave*1,2 NOF



their birth month, monitor each individual's leave status, remind both the employee and his/her supervisor about taking leave, and have both parties review the leave status during their meetings.

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

NOF provides a system under which employees who have worked with the Company for 5, 10, 15, 20, 25, 30, 35, and 40 years are given five consecutive paid holidays 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.

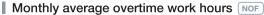
Days on which employees are encouraged to leave work on time

NOF has designated every Wednesday, the second Friday, and the third Friday of each month as days to encourage employees to leave work on time at works, promoting efficient work styles at each workplace (excluding shift work at manufacturing sites).

The average monthly overtime hours worked at NOF was 13.4 hours in fiscal 2023. (Average monthly overtime hours for NOF and its five domestic consolidated companies: 13.1 hours)

Monthly average overtime work hours

FY2023 **13.4** hours





Volunteer leave system

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

Rewards for employee achievements

NOF has established a system that rewards the accomplishments of employees who have contributed to the perpetual development of the Company's businesses on July 1 of each year.

Employee invention rewards

In April each year, NOF examines employee inventions and awards invention rewards to inventors.

^{*1} Based on the data as of March 31 each year.

^{*2} Calculated for the period from September 21 of the previous year to September 20 of the current year (12-month period to take annual paid leave at NOF).

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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 NOF

FY2023 Men **97.4**% (37people)

Women 100% (15people)

Rate of utilization of childcare leave at NOF and its five domestic consolidated companies: 73.7% for men (42 people), 100% for women (22 people)

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

NOF provides a system that makes childcare / family 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 family 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 / family care.

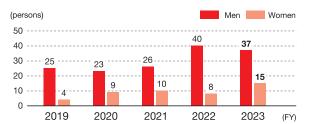
The requirements for utilizing the cumulative saved leave were expanded for child and family care from April 2016. In addition, in April 2017, NOF prepared a handbook that summarized information such as basic knowledge of the Long-Term Care Insurance System,

how to balance work and family care, and internal systems related to family care, to enable employees to continue working and achieve balance when they face family care. This was posted on the work-life balance page of our

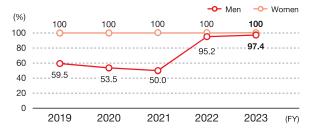
intranet (NICE).

- Handbook Supporting Work and Childcare Balance (for male employees)
- Handbook Supporting Career and Childcare Balance (for managers)
- Handbook Supporting Work and Family Care Balance
- Handbook Supporting Work and Family Care Balance (Edition Covering the Basics of Senior Citizen Facilities and the Costs of Family Care)

Employees utilizing childcare leave NOF



Rate of utilization of childcare leave NOF



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

Short-term and long-term family care leave systems

We have established systems for short-term family care leave and long-term family care leave. Because of the availability of cumulative saved leave, no employees took this leave during the five-year period from fiscal 2019 to fiscal 2023.