

Nisso Group Sustainability Report 2022



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Nisso Group Charter of Corporate Behavior -NISSO's Promise-

The Nisso Group respects basic human rights and maintains work environments that can be used safely and healthily, in addition to developing fair and sincere corporate activities with the aim of creating enriched lives. In addition to complying with laws and regulations, as a company that possesses high ethical standards, accepts diverse sets of values, and prizes the sense of fulfillment and job satisfaction of each individual, we pledge to take responsible actions, and have established the "Nisso Group Charter of Corporate Behavior".

• Scope of Application

This Charter shall be applicable to all officers and employees working at NISSO CORPORATION and its affiliates.

• Regarding the Enforcement of the Charter

Officers and employees shall comply with this Charter, and strive to ensure that all people involved with the Nisso Group, including clients, business partners and shareholders, understand the purpose of this Charter, and be able to receive cooperation from them.

Officers and executives shall be obligated to take the initiative in the establishment, and the understanding and dissemination of this Charter both internally and externally.

<Sincere Business Activities>

- By positioning the improvement of our clients' satisfaction as the basis of our activities, we shall constantly strive for ingenuity and enhancement, and provide services that are beneficial to our clients.
- We shall fully utilize the organization and functions of the entire company in order to address problems that may arise in the workplace.
- We shall conduct fair and transparent corporate activities, and constantly strive to enhance corporate values and redistribute profits appropriately.
- We shall create employment through our businesses, and strive to actively contribute to society as a support function for the self-fulfillment of workers.

<Respect for Human Rights>

- We shall respect the international norms on human rights, and shall not participate in any action that may interfere with or impede human rights.
- We shall respect fundamental human rights, the diversity and individuality of employees, and shall not prejudice nor discriminate against individuals by reasons such as race, nationality, creed, gender, religion, physical characteristics, personal possessions, birthplace, etc.
- We shall comply with labor laws and regulations related to working conditions such as employment and wages. We shall not allow for child labor of those below the minimum age for employment, nor forced or unfair labor that is against the intentions of employees. In addition, we shall not purchase materials or products, etc., produced through child labor or forced labor.

<Communication with Society and Information Disclosure •

Information Protection>

- We shall manage company information appropriately, and disclose information deemed to be necessary in a prompt, adequate and accurate manner.
- We shall thoroughly protect and manage various kinds of information, including personal and client information, as well as intellectual property rights, and shall not unjustly infringe upon nor use such information.

<Exclusion of Anti-social Forces>

- We shall take a resolute stance against anti-social forces and organizations, and shall not respond to any unjust or unlawful demands.

<Creation of a Vibrant Workplace>

- We shall respect the existence of each employee, and actively create opportunities to maximize the abilities of each individual.
- We shall create a lively and vibrant working environment where employees can speak freely.
- We shall value our stance of seeking the reform and innovation of employees, and nurture employees who will lead the next generation.
- We shall respect fundamental labor rights, such as the right for employees to unite and/or bargain collectively, and shall not infringe upon such fundamental labor rights.

<Securement of Safety and Initiatives for the Environment>

- We shall recognize the importance of environmental problems, utilize resources effectively, promote energy conservation and actively address environmental improvement.
- We shall regard safety and "no accidents" as societal responsibilities, and strive to ensure safety not only during working hours, but also during commuting times.

<Responsibilities of Management>

- We shall consider the securement of safety and the maintenance of health of employees as a top priority, and shall spare no investment of management resources to maintain and improve the lives of employees.
- When operating the company, we shall listen to both internal and external comments/opinions with sincerity, and choose the best ways to fulfill our social responsibilities.

<Responses to the Occurrence of Problems>

- In the event of an incident or problem that contravenes this Charter, management shall show their determination to resolve such issues both internally and externally, take the initiative to promptly and reliably respond to such matters, and endeavor to investigate its cause and prevent its recurrence.

In addition, management shall disclose such information and fulfill their accountability to society in a prompt and accurate manner, and implement strict disciplinary measures, including on themselves, upon clarifying the authority and responsibility of those involved.

Nisso Group Employee Code of Conduct

-My Behavior-

For the realization of the spirit of the Nisso Group Charter of Corporate Behavior, as a standard of behavior that officers and employees of the Group should uphold on a daily basis, a more specific "Nisso Group Employee Code of Conduct" has been established. Officers and employees must recognize that they are responsible for compliance with this Code of Conduct, and act accordingly.

<Sincere Business Activities>

- We shall conduct fair and transparent transactions based on law and ethics and strive to gain the confidence of society as a whole.
- We shall maintain sound and moderate relationships with stakeholders, and shall not accept entertainment, gifts, or money for the purpose of acquiring unfair profits.
- We shall respond to the voices of clients' with integrity, and reflect such actions in the provision of services and the improvement of business operations in the future.
- We shall observe the Charter of Corporate Behavior, laws, rules of employment, internal regulations, etc., and act with dignity and discipline.

<Respect for Human Rights>

- We shall abolish discrimination based on race, creed, gender, social status, religion, nationality, age, physical and mental disability, and respect individuals.
- We shall always respect fundamental human rights in various aspects of corporate activities, and shall not engage in discriminatory behavior or actions that harms the dignity of individuals.
- We shall eliminate forced labor or labor that is against one's will, and child labor of those below the minimum age for employment.
- We shall not disrupt the morals, environment and the order of the workplace by acts that violate public order and standards of decency such as various types of harassment.

<Communication with Society and Information Disclosure · Information

Protection>

- We shall deepen mutual understanding with society and establish relationships based on trust through communication.
- We shall conduct the accurate disclosure of corporate information to stakeholders in a timely and appropriate manner.
- We shall strictly manage confidential and personal information, including client information acquired in the course of business, and shall not divulge such information elsewhere. Such obligations shall also be fulfilled following employment at NISSO and/or after retirement.
- We shall not infringe upon intellectual property rights, including copyrights and patent rights, of others.

- We shall not use internal information obtained in the course of duties for personal purposes. In addition, we shall not conduct acts that will be of self-interest based on insider information obtained during the course of duties.

<Dissociation with Anti-social Forces>

- We shall not have any relationships or business dealings with anti-social forces.
- We shall not make concessions by means of money, etc., against unreasonable demands from anti-social forces.

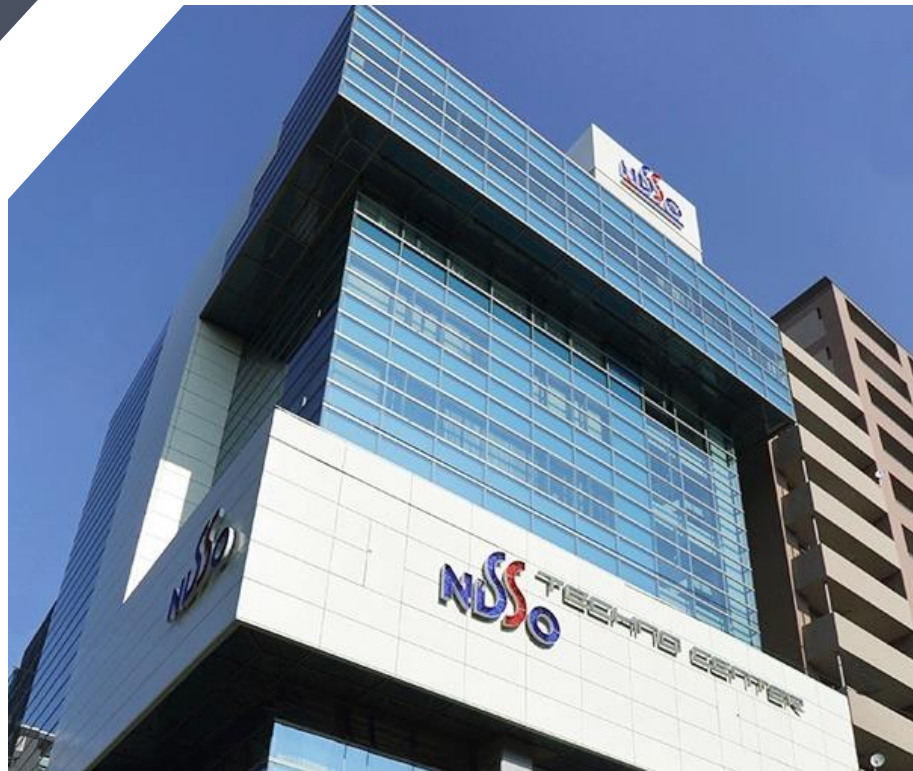
<Creation of a Vibrant Workplace>

- We shall comply to laws and regulations concerning labor, and strive to realize a healthy and comfortable working environment so that harmony between work and life can be achieved.
- With the stance to take on challenges to achieve higher goals, we shall strive to improve our abilities and to nurture subordinates and junior employees.

<Securement of Safety and Initiatives for the Environment>

- With regards to business activities, we shall strive to conserve resources and energy, and make efforts to preserve the environment and reduce waste. In addition, we shall actively cooperate with clients, business partners, etc., in their global environmental preservation efforts.
- We shall comply with laws, internal regulations and workplace rules related to occupational health and safety, promote the prevention of occupational accidents and mental health initiatives, and strive for the creation of a safe workplace.
- We shall strive to improve our compliance of laws, regulations and traffic manners, and make efforts to prevent traffic accidents by practicing safe driving.

Top Message



NISSO CORPORATION was founded in 1971, and we celebrated our 50th Anniversary in February 2021. Under our founding philosophy of "Nurturing and Bringing Out the Best in People", we have been supporting MONOZUKURI (manufacturing) from the human side for over 50 years. The Nisso Group believes that people are our greatest assets and the most fundamental and important resources for providing services, and based on respect for human rights and observance of compliance, we are engaged in "human development", taking into account the aptitude of each individual and every individual, and the creation of an environment where workers can flourish with a sense of satisfaction.

■ On the Publication of the

"Sustainability Report 2022"

Although we have been publishing the "CSR Report" since 2020, in light of the fact that it covered many activities related to sustainability, including social and environmental issues, and in response to the increasing demand for disclosure of sustainability information such as the disclosure of information on the gender wage gap, we have decided to rename the report to the "Sustainability Report" from this year.

In society and the environment, the environment surrounding us is changing in a variety of ways, including the promotion of employment of diverse human resources and the active participation and advancement of women, the suppression of greenhouse gases, the reduction of plastics, and in recent years, the occurrence of heavy rain damage caused by climate change. As the Nisso Group, we have been putting into practice activities with the aim of becoming a company that is needed by society for years to come, including what kind of activities we will carry out in order to contribute to society through people, and what kind of structure we will establish in order to create a workplace where each employee feels a sense of fulfillment.

Going forward, we will continue to communicate the corporate activities of the Nisso Group through the Sustainability Report in an effort to deepen dialogue with our stakeholders and enhance our corporate value.

■ The Nisso Group and SDGs

The environment that surrounds us is changing rapidly. Due to the increased risks of natural disasters caused by climate change, such as global warming, and pollution problems, such as marine plastics, warnings are being given to the sustainable potential of various businesses.

In addition, we are now facing new coronavirus (COVID-19) infections that have expanded worldwide. As a result, various changes are occurring in our lives, such as new work-styles and new lifestyles.

Furthermore, with the evolution of technologies such as AI, IoT, and 5G, everything is being digitized, and the need to transform business models is being questioned. The impact of the evolution of technology is said to be particularly significant for the manufacturing industry, and in order to respond to these changes, we believe that it is a management issue to consider IT and business as one, and to formulate strategies for creating new value.

In order for a company to respond to these changes and achieve sustainable development, it is necessary to carry out management and business development that emphasizes the needs of society from a long-term perspective. To this end, in addition to strengthening governance and addressing management risks, we will strive to pursue sustainability in our business operations with the aim of acquiring new business opportunities.

■ Nurturing and Bringing Out the Best in People

We have put into practice management that values "people" above all else in order to realize our founding philosophy of "Nurturing and Bringing Out the Best in People". Believing in the potential of each and every employee, challenging infinite possibilities, and developing, will lead to our growth as a company.

We believe that by recognizing and utilizing the diverse values and individuality of each employee and creating a system that maximizes their abilities, and by continuing to create a workplace that is comfortable and pleasant to work in, we will be able to realize an environment where people can grow and live.



Top Message

■ Toward the Realization of

"Creating Opportunities and Hopes for People to Work"

Based on our mission of "Creating opportunities and hopes for people to work", we, the Nisso Group, aim to create workplaces where workers can gain a sense of self-fulfillment and flourish, with human resources solution services that support the growth of companies and people. In addition, we are promoting initiatives "To transform into a corporate group with high-growth potential" in order to provide services that can respond to social changes and changes in industrial structures.

In addition, the Nisso Group defines materiality (key issues) for the realization of our mission as "Creation of a comfortable workplace", "Responding to social changes and changes in industrial structures", and "Strengthening of governance". By promoting digitization and actively investing in human resources, we aim to enhance corporate value through the creation of social value by maximizing employee satisfaction and customer/client satisfaction, providing high value-added services, and strengthening management structures and internal controls.

■ Accelerating Investment in Human Capital

With digital technology, human capital management, decarbonization, pandemics, global affairs, etc., the business environment is changing at an unprecedented rate.

Aiming for sustainable growth, the Nisso Group will not stop investing in the working "people", and will further accelerate investment.

Creating a workplace where workers can thrive and grow with job satisfaction, providing services that can respond to social changes and changes in industrial structures, and utilizing digital technology will lead to the transformation into a company with high-growth potential. By putting into practice "Creation of a comfortable workplace" and "Responding to social changes and changes in industrial structures", employee satisfaction will be improved, engagement will be fostered, and "work opportunities" and a "desire to work" will be created. While realizing our mission of "Creating opportunities and hopes for people to work", we will aim for sustainable growth and achieve the enhancement of corporate value as a company.

Based on our founding philosophy of "Nurturing and Bringing Out the Best in People", we will place top priority on human resources, who are the source of our business, and will actively invest in human resources management, education and training, and career development, with the aim of becoming a company that grows while making the most of the individual strengths of our employees.

■ Responding to Changes in the Global Environment

While contributing to society through our investment in "people", the driving force of the Nisso Group, we recognize that responding to climate change, which is essential for the survival of our business, is also a key management issue.

Rather than creating a world where the temperature rise in the second half of the 21st century is 2°C, how to keep it within the range of 1.5°C is a common universal issue. At NISSO, many of the locations of the manufacturers where our manufacturing staff work are located in areas where public transportation is not well developed, and although the use of company-owned vehicles is heavily utilized, we will reduce their use by promoting the use of IT and other technologies. In addition, we will promote various activities such as curbing electricity consumption, while improving the efficiency of our sales offices nationwide.

By striving to achieve a carbon-free world in 2050 like the rest of the world, and by addressing global environmental issues through group management, we are confident that we will get closer to realizing materiality.

■ Aiming for the Realization of a Sustainable Society

Aiming to realize a sustainable society, we believe that it is important to address the challenges facing society in the "Sustainable Development Goals" of the SDGs and to respond to the demands of society.

Based on our Sustainability Policy, the Nisso Group has identified 3 materialities (key issues) and set 10 implementation issues. In addition, we have established the necessary structures to resolve issues, including the launch of the Sustainability Council.

Going forward, the Nisso Group will continue to make concerted efforts to meet the expectations of all of our stakeholders by strengthening our efforts to contribute to society through our people and businesses.



Ryuichi Shimizu
Representative Director, President & CEO
NISSO CORPORATION

清水竜一

Editorial Policy

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Reporting Policy/Editorial Policy

The Nisso Group Sustainability Report 2022 has been published for the purpose of providing stakeholders with an understanding of the sustainability information of the Nisso Group.

Organizations to be Reported

This report contains the activities, initiatives and related data of NISSO CORPORATION and our group companies.

Referenced Frameworks

GRI (Global Reporting Initiative) Standards, SDGs (Sustainable Development Goals), United Nations Global Compact, etc.

Reporting Period

FY 3/2022 (April 1, 2021~March 31, 2022)

※ Some information up to October 2022 is also included

Mission · Vision

■ Towards the Realization of Our Mission and Vision

On August 8, 2022, the Nisso Group made public a 3-year Medium-term Management Plan, with FY 3/2023 as the first year. In the midst of the need to speed up management decisions, our mission to fulfill is "Creating opportunities and hopes for people to work", and we aim to create workplaces where employees can work with motivation and flourish with Human Resources Solution Services that support the growth of companies and people. We also aim to provide services that can respond to social changes and changes in industrial structures, and will continue to promote initiatives "To transform into a corporate group with high-growth potential".

Founding Philosophy

Nurturing and Bringing Out the Best in People

**We, the Nisso Group
with Human Resources Solution Services that support
the growth of companies and people**

Mission

**will fulfill our Mission of
Creating opportunities and hopes
for people to work**






Vision

**To transform into a corporate group
with high-growth potential**

Stakeholders of the Nisso Group

■ Stakeholder Engagement

Based on the Charter of Corporate Behavior and the Employee Code of Conduct, the Nisso Group will develop sincere business activities, clarify our responsibilities to our stakeholders, deepen mutual understanding through two-way communication, and strive to build a sustainable relationship of trust with our stakeholders.

Stakeholders	Main Initiatives
<p>Employees</p> 	<p>Based on the founding philosophy of "Nurturing and Bringing Out the Best in People", we respect the diverse values and individuality of our employees, and actively create opportunities for them to flourish.</p> <ul style="list-style-type: none"> • Various education • training systems • Intra-company newsletter, portal sites • Health and Safety Committee • Various consultation counters • Qualification acquisition subsidy system
<p>Clients</p> 	<p>We build long-term relationships based on trust by working closely with our clients, responding to them sincerely and creatively, and providing high-quality services.</p> <ul style="list-style-type: none"> • Provision of information through NISSO's corporate website • Establishment of inquiry counters • Health and safety activities • Industry trends seminars • Quality improvement activities
<p>Shareholders • Investors</p> 	<p>In order to earn the trust of our shareholders and investors, we strive to enhance corporate value through our business activities. In addition, we strive to disclose information in a fair, timely and appropriate manner, put into practice transparent management, and place importance on constructive dialogue.</p> <ul style="list-style-type: none"> • General Meetings of Shareholders • Briefings for individual investors • Meetings with institutional investors • Financial Results Briefings • Information disclosures
<p>Business Partners</p> 	<p>We build good relationships based on trust and achieve co-existence and co-prosperity through fair and equitable transactions with our business partners in accordance with laws and regulations.</p> <ul style="list-style-type: none"> • Daily procurement activities • Mutual cooperation for information security compliance • Survey of business partners
<p>Community • Society</p> 	<p>As a member of the local community, we contribute to the revitalization and development of the economy by creating employment opportunities in the region, giving consideration to the environment, and participating in social contribution activities.</p> <ul style="list-style-type: none"> • Participation in local events • Co-sponsorship of local sports • Environmental conservation activities • Support for culture and the arts

Sustainability of the Nisso Group

Basic View

The "Nisso Group Charter of Corporate Behavior", which is a code of conduct that officers and employees should adhere to, states that we must not only comply with laws and regulations, such as prohibition of discrimination, respect for diversity, freedom of association, prohibition of forced · child labor, etc., but that we also maintain high ethical standards and accept diverse values. We have established the "Nisso Group Employee Code of Conduct" as a standard of conduct that should be followed on a daily basis by putting into practice the spirit of the Charter of Corporate Behavior.

Recognizing that respect for human rights is the foundation of business in our daily activities, in October 2019, with the aim of thoroughly implementing the "Nisso Group Charter of Corporate Behavior", the "Policy on Human Rights and Labor" was established in order to advocate international standards on human rights, such as the United Nations Global Compact's principles concerning human rights · labor, and to conduct the management of respect for humanity. In addition, in the same month of the same year, the "Ethics Policy" was also established in order to share compliance, which should be the basis of corporate management, and we will ensure its thorough awareness. Going forward, we will continue the activities of the United Nations Global Compact, which are the universal principles of "Human Rights", "Labor", "Environment", and "Anti-corruption" advocated by the United Nations.

Our Various Policies

The policies set forth by the Nisso Group are as follows:

Policy	Date Enacted	Human Rights	Labor	Environment	Anti-corruption
Nisso Group Charter of Corporate Behavior	Oct. 1, 2016	●	●	●	●
Nisso Group Employee Code of Conduct	Apr. 1, 2017	●	●	●	●
NISSO CORPORATION Privacy Policy	Apr. 1, 2005	●			
NISSO CORPORATION Information Security Policy	Dec. 15, 2006				●
NISSO CORPORATION Occupational Health and Safety Policy	Apr. 1, 2015		●		
NISSO CORPORATION Environmental Policy	Jun.1, 2016			●	
NISSO CORPORATION Basic Policy regarding Proper Handling of Specific Personal Information	Apr. 1, 2017	●			
Basic Policy regarding the Internal Control System	Apr. 1, 2017				●
Policy regarding System Development of Internal Control related to Financial Reporting	Apr. 1, 2017				●
NISSO CORPORATION Mental Healthcare Policy	Oct. 1, 2017		●		
Ethics Policy	Oct. 1, 2019				●
Policy on Human Rights and Labor	Oct. 1, 2019	●	●		
Nisso Group Business Continuity Plan (BCP) Basic Policy	Apr. 1, 2021				●
Sustainability Policy	Oct. 1, 2021	●	●	●	●
Human Resources Development Policy	Oct. 1, 2021	●	●		

Sustainability of the Nisso Group

■ Participation in the United Nations Global Compact

On March 18, 2019, NISSO began our participation in the United Nations Global Compact, a global initiative to achieve sustainable growth in the international community. We will contribute to the realization of a sustainable society by supporting and putting into practice the 10 principles of UNGC, which consists of the 4 areas of "Human Rights•Labor•Environment•Anti-corruption" advocated by the United Nations.



10 Principles of the United Nations Global Compact

Human Rights	Principle 1	Support and respect the protection of internationally proclaimed human rights
	Principle 2	Ensure that business practices are not complicit in human rights abuses
Labor	Principle 3	Uphold the freedom of association and the effective recognition of the right to collective bargaining
	Principle 4	Eliminate all forms of forced and compulsory labor
	Principle 5	Abolish child labor
	Principle 6	Eliminate discrimination in employment and occupation
Environment	Principle 7	Adopt a precautionary approach to environmental challenges
	Principle 8	Conduct environmentally responsible activities
	Principle 9	Encourage the development and diffusion of environmentally friendly technologies
Anti-corruption	Principle 10	Fight corruption in all its forms including extortion and bribery

Activities at the Global Compact Network Japan

NISSO participates in activities carried out by the "Global Compact Network Japan" (GCNJ), Japan's local network of the United Nations Global Compact. GCNJ conducts themed subcommittee activities to discuss and exchange information on sustainability concepts and initiatives, learning from the practices of other companies and academic experts. In FY 3/2022, we participated in the following subcommittees.

- ESG Subcommittee
- Supply Chain Subcommittee
- Reporting and Research Subcommittee
- Human Rights Education Other

■ Contributions to Sustainable Development Goals(SDGs)

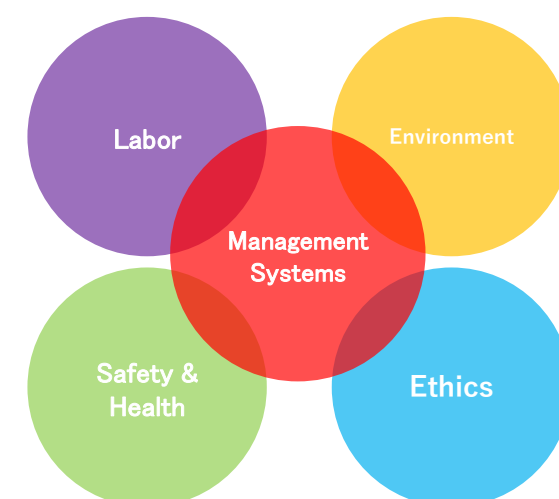
The "Sustainable Development Goals (SDGs)" adopted by the United Nations in 2015, are universal goals for 2030 that address social issues such as poverty, employment, and the environment. The Nisso Group will face the various challenges facing the world with sincerity, and contribute to the realization of a sustainable society, namely the achievement of the SDGs, through its business activities.

SUSTAINABLE DEVELOPMENT GOALS



■ RBA Initiatives

NISSO is a company that provides human resources services, such as manufacturing contracting and dispatching, to clients mainly in the manufacturing industry. Therefore, there are many clients who are affiliated and compliant with RBA (Responsible Business Alliance), which promotes CSR in global supply chains such as the electronics industry.



In order to contribute to CSR procurement initiatives in our clients' supply chains, NISSO believes that compliance with the RBA Code of Conduct is essential. Accordingly, we have established the "RBA Working Team" under the Sustainability Council, which belongs to the Corporate Value Enhancement Committee, in order to establish a CSR structure and a framework for activities, and have put in place a foundation for continuous operation. Through these activities, we are working with our clients to address issues such as human rights, the working environment, safety and health, and ethics in the supply chain, and are responding to education and audits.

Sustainability of the Nisso Group

■ Toward the Selection of Key CSR Issues

In accordance with our founding philosophy of "Nurturing and Bringing Out the Best in People", the Nisso Group aims to create a workplace where working people can work and grow with a sense of satisfaction, as well as to provide services that can contribute to our growth as a company. In order to enhance the corporate value of the Nisso Group, we will respect laws and social rules, and conduct CSR activities aimed at realizing a sustainable society.

Process for Identifying Key CSR Issues

The Nisso Group will continue to support the "working people" with the aim of allowing each and every employee to challenge infinite possibilities and continue working with enthusiasm.

In addition, "responding to changes in society and industrial structures" is an important issue that the Nisso Group must respond to. In order to solve these issues, we will reinforce governance, which is the foundation of all companies, and will realize a sustainable society.

To put it into practice, we have identified key issues in accordance with the following process:

Step 1 Extraction of Materiality (Key Issues)

Based on the GRI (Global Reporting Initiative) Standards, the SDGs (Sustainable Development Goals), and the United Nations Global Compact, we have extracted social issues that are highly relevant to Nisso Group's business.

Step 2 Evaluation of Importance from the Perspective of NISSO and Our Stakeholders

Based on Step 1, we selected social issues in terms of importance to our stakeholders and importance to NISSO, and identified issues that should be prioritized.

Step 3 Confirmation by the Sustainability Council

The Sustainability Council, which belongs to the Corporate Value Enhancement Committee, exchanged opinions on the issues in Step 2, and selected their materiality (key issues).

Step 4 Discussions and Decisions by Management

The materiality selected was decided after the exchange of opinions with management through the Corporate Value Enhancement Committee and the Board of Directors.

Step 5 Association with SDGs

We linked the identified materiality with the related SDGs.

Mapping of Key CSR Issues

↑ Importance for stakeholders	<ul style="list-style-type: none"> • Response to climate change • Protection of forest ecosystems • Use of water resources • Wastewater treatment • management information • Energy-saving measures • Biodiversity conservation activities 	<ul style="list-style-type: none"> • Information disclosure inside and outside company • Strengthening of CSR management system • Promotion of CSR procurement • Communication with the local community 	<ul style="list-style-type: none"> • Respect for human rights • Diverse and flexible work-styles • Safety and health initiatives • Human resources development • Utilization of employees with disabilities • Diversity • Environmental initiatives • Contributions to the local community • Corporate governance • Compliance • Responsibility to shareholders and investors
		<ul style="list-style-type: none"> • Protection of client information and privacy • Promotion of fair competition • External reporting contacts • Provision of equal employment and growth opportunities for all • Strengthening of information security systems 	<ul style="list-style-type: none"> • Personnel system reform • CSR education • Development of mechanisms, infrastructure to develop human resources who can respond to changes in the world • Creation of new workplaces with focus on changes in the industrial structure • Strengthening of compliance management
	→ Importance for business		

Sustainability Policy and Materiality (Key Issues)

■ Sustainability Policy

In order to achieve our mission of "Creating opportunities and hopes for people to work", we, the Nisso Group, aim to achieve sustainable business growth and realize a sustainable society by establishing policies on human rights, labor, the environment, health and safety, and ethics, and advancing initiatives to solve social issues through the provision of Human Resources Solution Services that support the growth of companies and people.

■ Materiality (Key Issues)

Based on our Sustainability Policy, the Nisso Group considers that it is important to contribute to society and the environment through our business, and has identified materiality (key issues) with the aim of enhancing corporate value by balancing business and social value.

Materiality 1

Creation of a comfortable workplace

Issues Enforced in FY 3/2022	Related SDGs
Respect for human rights	
Diverse and flexible work-styles ...Creation of a rewarding workplace	
Safety and health initiatives ...Promotion of employee health and safety	
Response to climate change ...Strengthening of cooperation between business activities and the global environment	

Materiality 2

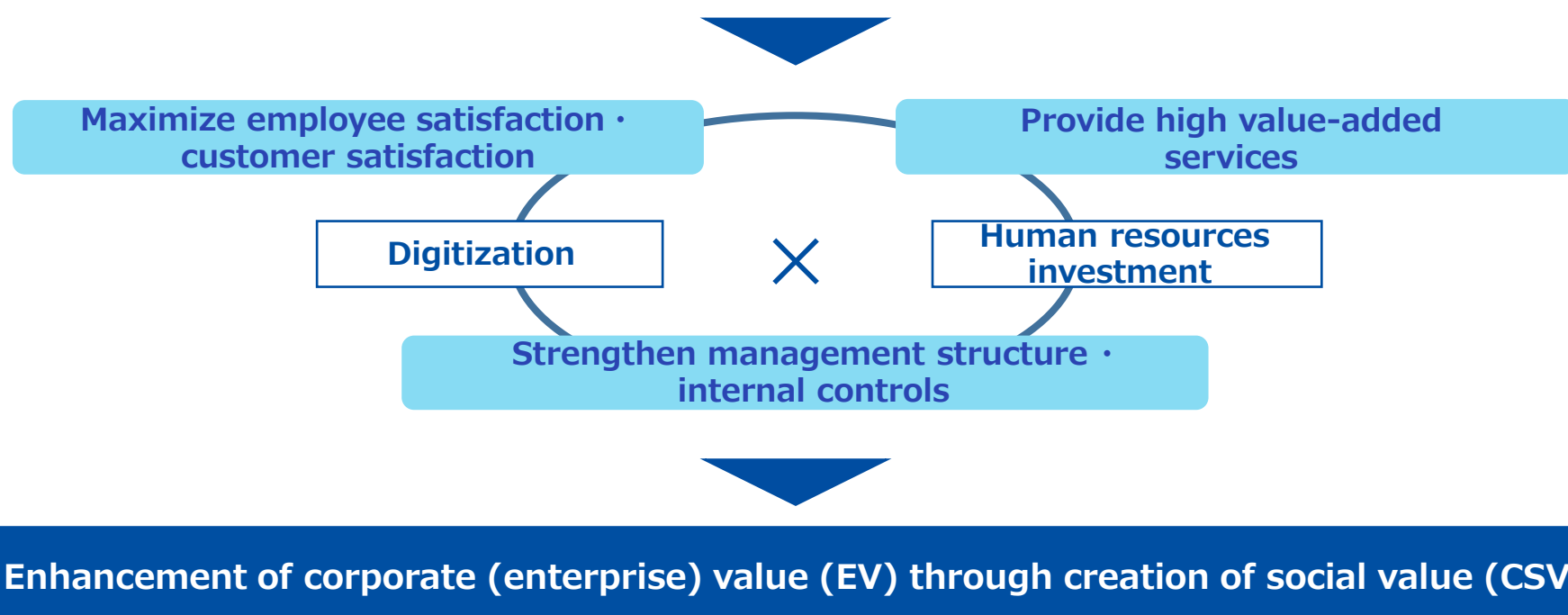
Responding to social changes and changes in industrial structures

Issues Enforced in FY 3/2022	Related SDGs
Human resources development ...Provision of high value-added services Development of human resources	
Diversity ...Creation of a workplace where diverse human resources can flourish	
Coexistence with diverse communities ...Promotion and coexistence of local community activities	

Materiality 3

Strengthening of governance

Issues Enforced in FY 3/2022	Related SDGs
Corporate Governance	
Compliance	
Responsibility to shareholders and investors	



Nisso Group ESG BOOK 2022



Respect for Human Rights



Basic View

The Nisso Group recognizes the diversity of human rights, religion, gender, sexual orientation, age, nationality, disability, etc., and recognizes that it is a corporate responsibility to respect all human rights and strengthen our business foundation. NISSO has formulated the "Policy on Human Rights and Labor", and is engaged in management that respects human rights.

Policy on Human Rights and Labor

Recognizing that respect for human rights is the foundation of business in our daily activities, NISSO shall uphold and commit to the following policy in order to advocate international standards on human rights, such as the United Nations Global Compact's principles concerning human rights · labor, and conduct the management of respect for humanity.

① (Free choice of employment)

NISSO is committed to not employing any kind of forced labor in our business activities.

- We shall not employ forced labor, bonded or indentured labor, or involuntary prison labor.
- Certification documents belonging to individuals, such as passports and ID cards, shall be kept · managed by employees, and NISSO shall not retain any of the original documents.
- The relationship between workers and NISSO shall be voluntary, and workers shall have the freedom to leave their workplaces or to terminate their employment at any time.

② (Young workers)

NISSO is committed to complying with the minimum age laws and requirements of each country, and to not employing child labor.

- We shall not hire children under the age of 15 in Japan.
- We shall also give appropriate consideration to young workers under the age of 18 in conformity with domestic laws.

③ (Working hours)

NISSO is committed to complying with the laws and regulations related to labor of each country regarding working hours · holidays · vacations (paid leave).

④ (Wages and welfare · benefits)

NISSO is committed to complying with the wage-related laws of each country, to making appropriate salary payments, and to not making unjust reductions or deductions.

- We shall provide workers with ways to accurately confirm their compensation on a regular basis.
- Compensation shall be paid by cash or bank transfer on a regular basis.

⑤ (Humane treatment)

NISSO is committed to taking strict measures to prevent harsh and inhumane treatment, such as abuse and harassment.

- We shall not tolerate or engage in acts such as sexual harassment · sexual abuse · corporal punishment · mental or physical coercion · verbal abuse.

⑥ (Elimination of discrimination)

NISSO is committed to respecting the diversity of each individual and to creating a workplace free of harassment and unlawful discrimination.

- We shall eliminate discrimination based on human rights · creed · gender · age · social status · family origin · nationality · ethnicity · religion · sexual orientation · gender identity/expression · marital status/history · pregnancy status · protected genetic information · presence/absence of military experience · political affiliation · status of labor union participation, or presence/absence of disabilities.
- We shall value personality · individuality, and shall provide fair opportunities for recruitment · employment · skills development · education · salary increases · advancement/promotion, etc., according to ability.

⑦ (Freedom of association)

In accordance with the laws and customs of each country, NISSO is committed to respecting the operation of labor unions and organizations of employees, and to respecting the rights of workers, including their formation of and participation in such organizations, and their right to collective bargaining.

⑧ (Full dissemination)

In order to ensure the thorough observance of this policy, we shall appropriately implement education for our officers and employees, disseminate its content, and conduct checks on a regular basis to further promote the management of respect for humanity.

Raising Awareness of Human Rights

The Nisso Group aims to respect the human rights of all people and create an environment free from discrimination.

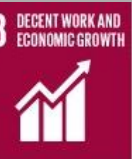
We are aiming for a 100% implementation rate of human rights education for all employees, including on-site workers and contract employees. In addition, we have established a system for implementing human rights due diligence, determined audit items and persons in charge, and are working to deepen our understanding of human rights by posting and displaying anti-harassment posters.

(Target)

Human rights education
implementation rate: 100%



Diverse and Flexible Work-styles



Basic View

Companies are required to respond to changes such as the "decline in the working population due to the declining birthrate and aging population" and the "diversification of working needs".

In order to respond to these changes, the Nisso Group believes that it is important to foster a corporate culture in which employees can choose their own work-styles based on an autonomous way of thinking. By valuing these changes, we believe that a virtuous cycle of increased engagement, securement of excellent human resources, and increased productivity will function, and as a result, sustainable growth in the Nisso Group will be realized.

Toward the Realization of

“Creating a Rewarding Workplace”

The Nisso Group aims to create a workplace environment where each and every employee can feel a sense of satisfaction and satisfaction in their work, and grow with peace of mind. In addition, based on our Policy on Human Rights and Labor, we are making efforts to construct a human resources system that values personality and individuality, and aiming to create diverse work-styles that can provide fair opportunities for recruitment, employment, skills development, education, salary increases, advancement/promotion, etc., according to ability.

• System that can realize work-life balance

In April 2020, we introduced a region-limited employee system to meet the needs of employees who want to lead lives rooted in their local communities.

In addition, the telecommuting system, which was launched in October 2020 in response to COVID-19 countermeasures, has provided a good opportunity to review the way we have been working. In terms of how to make effective use of telecommuting, we will review our work methods and aim to achieve an efficient telecommuting system that improves productivity, ensures work-life balance, and responds to new lifestyles. In addition, we will also utilize this information in BCP response and other measures to prepare for risks such as future disasters.

• Support system for balancing childcare and nursing care

In line with the General Business Owner Acton Plan which is based on the Act on Advancement of Measures to Support Raising Next-Generation Children, NISSO aims to create a comfortable working environment where employees can balance work and child-rearing.

(Percentage of male employees at NISSO taking childcare leave)

FY 3/2022: 6%

• Promotion of annual paid leave acquisition

We are promoting the acquisition of paid leave in order to improve the number of days of annual acquisition per person every year. NISSO conducts status reports to the heads of each department and promotes the acquisition of paid leave.

Promotion of Health Management

• Obtainment of Yokohama Health and Productivity

Certification

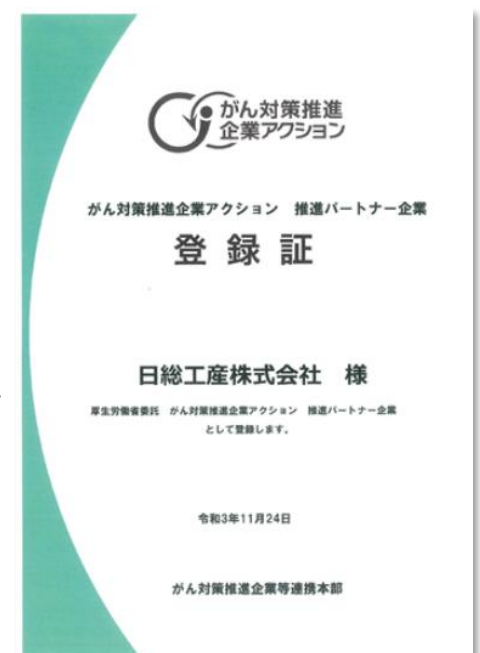
NISSO's special-purpose subsidiary, Nisso Pure, has been certified with the "Yokohama Health and Productivity Certification, Class AA" (2020 ~ 2022) for the purpose of improving the profitability of companies in the future through initiatives to maintain and improve the health of employees.

• "Corporate Action to Promote Cancer Control"

Registration as Promotion Partner Company

In November 2021, NISSO registered

with the "Corporate Action to Promote Cancer Control", a national project with the aim of achieving a cancer screening rate of 50% or more in the workplace through corporate collaboration for the early detection and treatment of cancer.



Initiatives for the Prevention of the Spread of New Coronavirus (COVID-19) Infections

The Nisso Group places the highest priority on the safety of all employees and relevant personnel, and is working on measures to prevent the spread of COVID-19 infections in order to ensure the health of our employees.

The "COVID-19 Countermeasures Headquarters" headed by the Representative Director and President has instructed the Group to carry out the following activities, to ensure the safety and health of all employees and relevant personnel.

Main Activities

- Promotion of online training
- Implementation of recruitment Web interviews
- Implementation of weekly PCR testing
- Implementation of Web visitation at nursing care facilities

With safety as our top priority, we will continue to strive to conduct our business activities while responding to new lifestyles.

Safety and Health Initiatives

Basic View

We recognize that ensuring the safety and health of workers in the workplace and creating a comfortable working environment are one of the key management issues.

In accordance with the Occupational Safety and Health Policy, the Nisso Group aims to reduce management risks and improve employment opportunities for the working people by clarifying systems and continuing to build, implement, and improve management and activity systems.

Occupational Health and Safety Policy

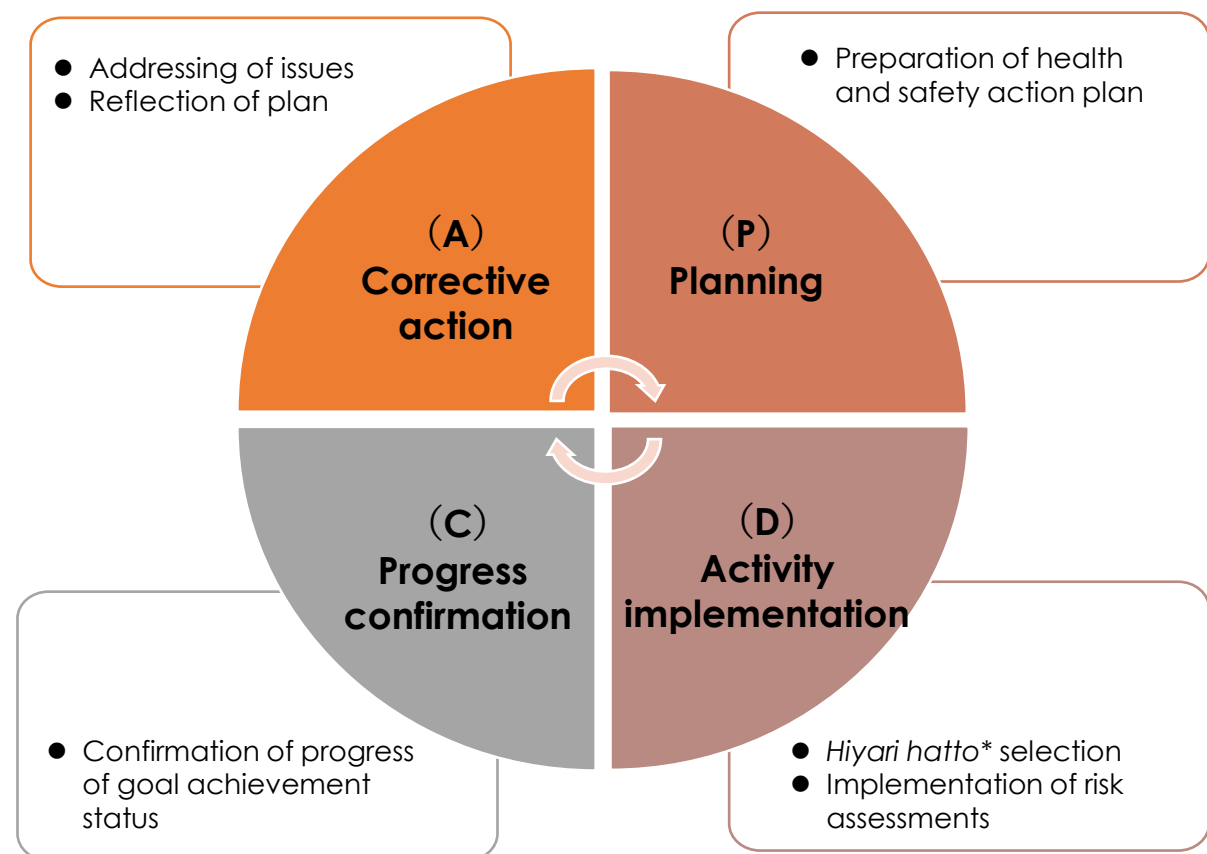
NISSO's occupational health and safety activities are the foundation of our corporate management, and ensuring the health and safety of all workers working at NISSO has become our utmost priority. By establishing a comfortable work environment, and by unifying the entire company to work together in all aspects of our business activities, we will strive to actively promote and improve our occupational health and safety activities, and will continue to aim for a true zero disaster workplace.

- ① In all aspects of our business activities, we will strive to prevent workplace accidents and disasters by taking the necessary measures to eliminate or reduce risks based on the investigations of dangers and hazards and the results thereof.
- ② We will develop health and safety activities with the participation and cooperation of all employees and relevant parties of NISSO, and will continue to aim for the improvement of our health and safety standards.
- ③ We will comply with the Industrial Health and Safety Act, relevant laws and regulations, and the health and safety regulations established at the workplace, and will endeavor to improve the level of our health and safety management structure.
- ④ We will establish, periodically review, and continuously enhance our occupational health and safety management system, and will continue to aim for the further improvement of our health and safety standards.
- ⑤ In order to prevent health problems caused by overwork and mental health-related issues, we will enhance our health management structure and promote the maintenance of health for all employees.
- ⑥ We will promote measures to prevent traffic accidents, and will raise awareness in order to ensure both vehicular and pedestrian traffic safety.
- ⑦ We will conduct education and training necessary to ensure the health and safety of all employees, and will improve their knowledge and awareness regarding health and safety.
- ⑧ We will ensure the full dissemination of NISSO's Occupational Health and Safety Policy to all employees, and will continue to aim for zero accidents and disasters in the workplace.

Occupational Health and Safety Management

In order to manage the safety and health of our company, the Nisso Group has established a company-wide Health and Safety Committee and a health and safety committee for each business site, and holds a meeting once a month for each committee to deliberate and share information on the prevention of occupational accidents and health problems. In addition, in order to ensure the safety and health of all working people, we have introduced an occupational health and safety management system, formulated a company-wide action plan to achieve zero occupational · traffic accidents, and are promoting the PDCA (Plan, Do, Check, Act) cycle of health and safety activities.

NISSO's Unique "Occupational Health and Safety Management System"



(P) Planning

- Declaration of health and safety policy
- Setting of health and safety goals for each business site and workplace
- Establishment of workplace health and safety system, and formulation of workplace rules
- Creation of health and safety plan

(D) Implementation · inspection · improvement of health and safety plan

- Risk assessments, workplace inspections, *hiyari hatto*, etc.

(C) Progress confirmation

- Reporting, confirmation, deliberation, and recording at the Health and Safety Committee
- Investigation of causes of occupational accidents, etc.

(A) Corrective action

- Reflection of activities in health and safety activity reports
- Preparation of health and safety activity report

Safety and Health Initiatives



Occupational Safety Activities

Based on the Occupational Health and Safety Policy, we formulate one-year activity plans and carry out health and safety activities.

Promotion of Annual Plans based on Health and Safety Management Structure

• National Safety Week

We held the "National Safety Week" for the purpose of preventing occupational accidents. During the implementation period from July 1 to July 7, 2022, we notified employees of the contents of our occupational accident prevention activities, and worked to improve safety activities and safety awareness.

(Slogan)

Safety is never be in a hurry, not to rush,

and not to neglect

(Main priority items)

- ① Measures to prevent machinery-related accidents and falls
- ② Measures to prevent heatstroke
- ③ Measures to prevent traffic accidents etc.

• Year-end and New Year "Zero Accident" Campaign

The period from December 1, 2021 to January 15, 2022 was carried out as the "Year-end and New Year Zero Accident Campaign. Based on the notification and implementation guidelines of the Ministry of Health, Labour and Welfare, we shared priority implementation items and worked on safety activities in order to achieve zero-accidents and zero-disasters.

Measures for Hazard Prevention

• Risk Assessments

Based on our annual plans, we conduct risk assessment activities in advance at NISSO's workplaces in order to prevent hazards. We conduct more thorough activities at sites where we manage chemical substances.

• Workplace Inspections

We reduce risks by promoting safety guidance and improvements by conducting workplace inspections (at all workplaces) by health officers and workplace inspections by industrial physicians (at locations of 50 or more people).

• Hiyari Hatto (near-miss reporting) Activities

In order to identify potential risks in the workplace and prevent disasters in advance, we report and improve *hiyari hatto* activities.

• Current status of NISSO

	FY 3/2021	FY 3/2022
Occupational accident lost worktime rate (Year)	0.75	0.93
Occupational accident leave rate per 1000 employees (Year)	0.90	1.33

Health and Safety Education

• Hazard Simulation Education

Nisso Technical Centers (TCs), which are training facilities owned by NISSO in 8 locations nationwide, are furnished with equipment that simulate hazards, and education with real-world experiences are provided.

• KYT (Kiken Yochi Training, or Hazard Prediction Training)

KYT is implemented as a voluntary activity. By raising our sensitivity to hazards and applying them to risk assessment practices, we are able to create a safer workplace environment.

• Health and Safety Study Groups

We hold study group sessions aimed at promoting health and safety activities and acquiring knowledge of laws and regulations. We will further raise health and safety standards by raising safety awareness among all employees involved in the promotion activities, including safety personnel.

Traffic Safety Initiatives

• Accident Prevention Activities

We are taking various measures to prevent traffic accidents, such as utilizing analysis results by obtaining driving record certificates, enforcing parking rules and conducting quarterly checks, installing drive recorders in shuttle vehicles, creating traffic warning maps, conducting on-board passenger checks, watching traffic safety videos, implementing traffic KYT, and thoroughly implementing vehicle 4S. In addition, in order to raise awareness of safe driving, we continuously conduct traffic safety patrol activities at the gates and parking lots of our clients' factories.



The Shiga Satellite regularly conducts traffic safety patrol activities. We are working to achieve zero traffic accidents in order to create an environment where local residents can live with peace of mind.

Disaster Prevention Initiatives

• Disaster Prevention Activities

We conduct regular disaster prevention drills at workplaces, provide guidance and education for fire prevention, and conduct inspections of NISSO's dormitories.

Safety and Health Initiatives



■ Promotion of Occupational Health Management

The Nisso Group places top priority on the health of our employees. In order to ensure their health, we promote work environment management, work management and health management, which are the fundamentals of occupational health management. At the same time, we promote the creation of a workplace environment where employees can work for a long time in good physical and mental health.

Health and Occupational Health Management Initiatives

- **Appropriate management of working hours to control long working hours**

In order to control long working hours, NISSO has established our own rules to prevent overwork by providing interview guidance by doctors in accordance with the requirements for overtime work hours.

- **Various health examinations**

We carry out various health examinations (general and special health examinations, etc.) to help maintain and improve the health of our employees by listening to opinions from doctors based on the results, and recommending re-examinations.

- **Heatstroke prevention measures**

From May to September 2022, we implemented measures to prevent heatstroke among employees by distributing salt candy and proposing environmental improvements at workplaces with the goal of zero heatstroke occurrences.

- **National Occupational Health Week**

We hold "National Occupational Health Week" for the purpose of managing the health of workers and improving workplace environments. During the implementation period from October 1 to October 7, 2022, we notified employees of the contents of our occupational health activities, and worked thoroughly to improve such activities.

(Slogans)

A healthy workplace full of smiles because of your good health

(Main priority items)

- ① Prevention of health problems caused by chemical substances
(Implementation of risk assessments)
- ② Promotion of mental health care
- ③ Thorough measures to prevent infections in workplaces etc.

Measures to Prevent Health Problems

- **Health problem prevention activities and management**

Based on our annual plan, we are implementing activities to prevent health problems caused by heat stroke, infectious diseases, and lower back pain. In addition, as activities to prevent health problems caused by chemical substances, we implement risk assessments, improve the workplace environment and work methods, and carry out activities to maintain a comfortable workplace, such as wearing appropriate protective equipment.

Mental Health

NISSO carries out mental health activities not only for physical health but also for mental health promotion. We provide regular mental health education (self-care and "line care", or employee care overseen by managers), and have established an in-house "mental care consultation room" to provide counseling and awareness-raising activities related to mental health. In addition, we conduct stress checks once a year for our employees, recommend doctor interview guidance to people with high levels of stress, and make efforts to improve work environments based on organizational analysis.

Mental Healthcare Policy

In order for a company to grow and operate soundly, it is the basis of all things that all employees can work safely and in good health, and NISSO aims to support the realization of a richer social life. In order to achieve this, based on the Ministry of Health, Labour and Welfare's "Guidelines for Maintaining and Improving Workers' Mental Health", we recognize that mental health is an important issue for the happy lives and vibrant workplaces of all employees and their families. We will implement the following matters to address and improve mental healthcare so that we are able to maintain physical and mental health and work with vitality.

① Provision of education, training and information

We will strive to raise awareness by providing education, training, and information on mental health knowledge, other health measures, and ways to prevent, reduce, and deal with stress.

② Implementation of stress checks

Stress checks will be carried out at least once a year to help employees become aware of stress. We will also recommend that employees perform self-checks as needed from the viewpoint of prevention.

③ Maintenance of a consultation structure

We will maintain a structure that allows employees to feel more comfortable to seek assistance so that they can recover their health through interviews with industrial physicians, etc., when they feel physically and/or mentally unwell.

④ Improvement of working environments

We will strive to prevent physical and mental fatigue by reducing working hours through business improvements and promoting the acquisition of planned annual paid leave.

⑤ Compliance with laws and regulations

We will comply with laws and regulations concerning the handling of personal information when conducting mental healthcare.

Environmental Initiatives (ISO14001)



■ Environmental Policy

Through a series of human resources services activities, NISSO has regarded global environmental conservation and pollution prevention as one of the most significant management issues. In order to achieve harmony with our business activities and the global environment, we have formulated this Environmental Policy.

After recognizing the environmental impact caused by business activities, in accordance to the following basic policy, all employees will be actively involved in the creation of a recycling-oriented society as NISSO sets and re-examines environmental objectives and targets, co-exists with local communities and strives to make continuous improvements.

- ① With regards to business activities, we will devote our efforts to the following items in order to prevent pollution and reduce environmental burdens.
 1. Thorough reduction of electricity consumption in offices
 2. Promotion of eco-driving
 3. Thorough sorted collection of waste material
 4. Active contribution to local environmental conservation activities
 5. Increase of green purchasing rate of company-use equipment
- ② We will comply with environmental laws · ordinances · regulations and other requirements agreed upon by NISSO.
- ③ We will make considerations for the utilization of sustainable resources · mitigation and adaption of climate change · protection of biodiversity and ecosystems.
- ④ In order to ensure that all employees are able to enhance their awareness of environmental conservation and fully comprehend our Environmental Policy, we will thoroughly disseminate, implement, maintain and continuously improve our environmental management system.
- ⑤ We will periodically re-examine and disclose this Environmental Policy to the general public.

■ Environmental Management Structure (ISO14001)

In 2005, NISSO acquired ISO14001 certification for management of manufacturing-related human resources services at our headquarters. Under the ISO14001 environmental management system, we have established an Environmental Policy with our Representative Director and President as the top management, formulated an environmental action plan, and are carrying out NISSO's environmental activities. In addition, we have established a system to provide feedback on the results of our activities to the top management and are implementing the PDCA cycle.

Furthermore, through annual management reviews, we confirm the appropriateness, validness and effectiveness of our environmental management system, and are making continuous improvements.

Activities based on Environmental Policy

As part of our environmental conservation activities, NISSO is promoting eco-driving (the use of automobiles that reduce environmental impact). By being conscious of eco-driving, we reduce gasoline consumption, CO2 emissions, and avoid the risk of accidents and damage due to improved driving manners, which leads to reduced damage and replacement of parts, etc. Specifically, in addition to expanding the number of people who are eligible for eco-driving education nationwide from 2021, we have been offering driving lessons at driving schools from 2022 for employees driving company-owned vehicles for the first time.

Activities and targets to prevent pollution and reduce environmental impacts

Thorough reduction of electricity consumption in offices (electricity usage)

(Target) Keep the total within 600,000 kWh per year

(Actual) Approximately 2.1% increase

The cause of the increase was due to increased use of air conditioners as a result of ventilation measures against COVID-19 infections and lower winter temperatures than usual

Improvement of fuel efficiency through eco-driving (fuel efficiency)

(Target) Annual average of 21km/ℓ or more

(Actual) Approximately 5.1% deterioration

The cause of the deterioration was due to the suppression of trips across prefectures, resulting in the drastic reduction of long-distanced business trips, which led to an increased use of roads in nearby areas, reducing the effect of eco-driving

Thorough sorted collection of waste material (waste disposal costs)

(Target) Keep the total within 2 million yen per year

(Actual) Approximately 2.5% increase

The cause of the increase was due to an increase in the overall amount of waste generated as a result of an increase in the number of employees, although emissions per capita was reduced

Thorough purchase of green products (purchasing rate)

(Target) Aim for purchasing rate of 95% or more

(Actual) 96%

Thorough reduction of paper in offices (paper usage)

(Target) Keep the total within 1,400 packets per year

(Actual) Approximately 26.8% reduction

Thorough water saving in offices (water usage)

(Target) Keep the total within 3,000m³ per year

(Actual) Approximately 3.6% increase

The cause of the increase was due to an increase in overall water consumption generated as a result of an increase in the number of employees, although emissions per capita was reduced

Response to Climate Change (TCFD)



Basic View

The Nisso Group strives to contribute to society through investments in "people", which are our driving force, and at the same time, we recognize that responding to climate change, which is essential for the survival of our business, is an important management issue.

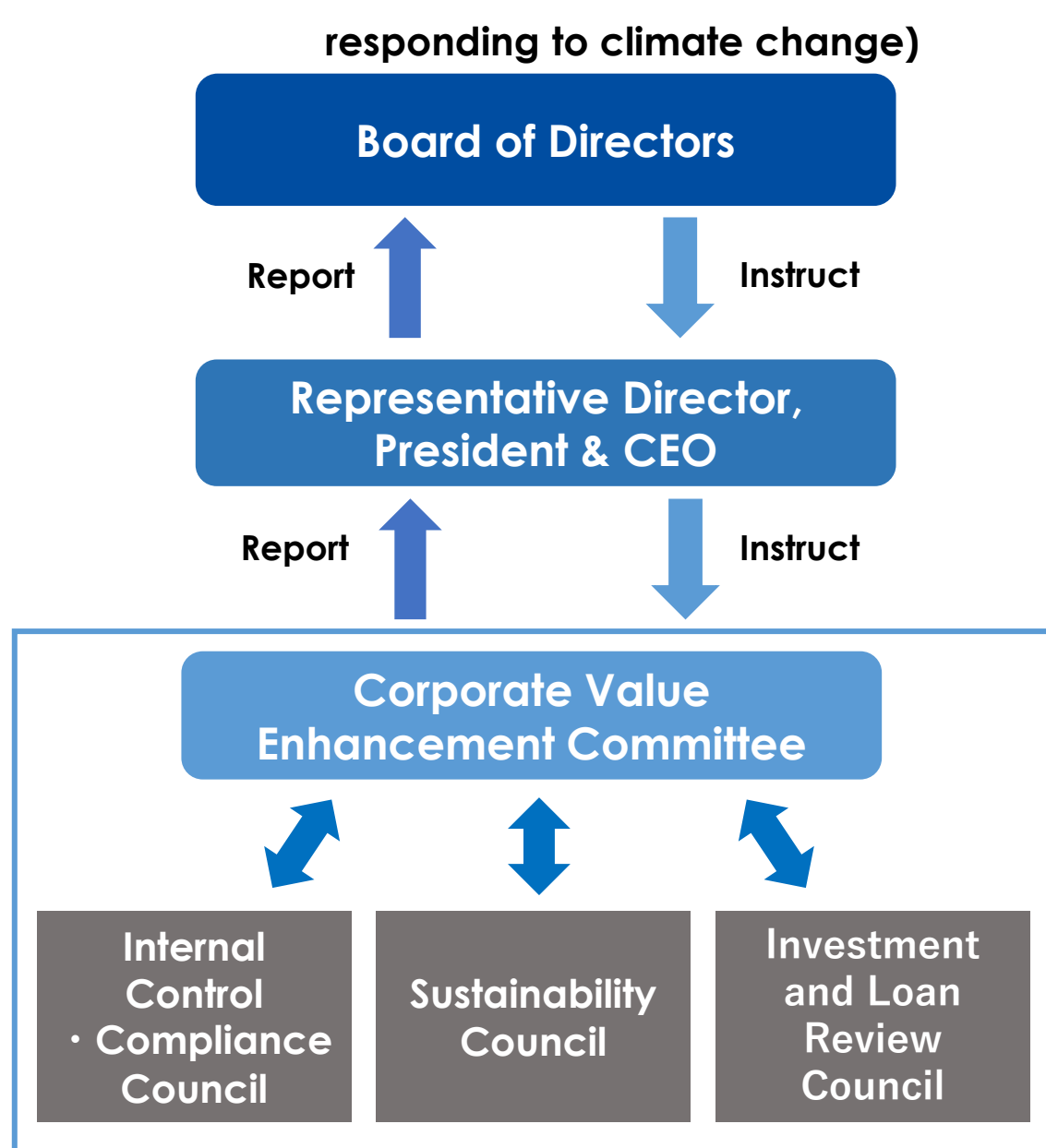
Through a series of human resources service activities, we are committed to global environmental conservation and pollution prevention, and by clarifying the financial impact of climate change on our company, we aim to improve corporate resilience and realize the key issue of "Creation of a comfortable workplace".

Response to Climate Change (TCFD)

Recognizing that rising temperatures due to climate change will have a significant impact on our business, the Nisso Group is enhancing the quality and quantity of information disclosure based on the TCFD (Task Force on Climate-related Financial Disclosures) framework of "Governance", "Strategy", "Risk Management", and "Indicators and Targets".

In order to limit the temperature rise to less than 1.5 °C in the second half of the 21st century, we have identified medium-term risks until 2030 and long-term risks until 2050 based on the 4 °C, 2 °C, and 1.5 °C scenarios, and have formulated strategies to reduce these risks and acquire opportunities.

(Organizational chart for responding to climate change)



• Governance

With regard to "Governance", the "Sustainability Council", which is part of the "Corporate Value Enhancement Committee" chaired by the Representative Director and President, identifies issues related to climate change and devises measure to resolve them, and after consultation with the Committee, approves them at NISSO "Board of Directors' Meetings".

• Strategy

We refer to reports issued by the IEA for transition scenarios (Note 1) and IPCC for physical scenarios (Note 2) to develop strategies for identifying risks and acquiring opportunities that will impact NISSO's business, strategy and financial plans.

1. Streamlining of sales activities

Transition risk	Physical risk	Opportunity
-----------------	---------------	-------------

The use of company-owned vehicles in sales activities has become essential, and a certain amount of gasoline and other fuels are used. In order to reduce greenhouse gas emissions in our sales activities, NISSO is promoting switching to more fuel-efficient transportation methods such as hybrid vehicles, and establishing remote work environments. As a result, it is possible not only to reduce costs, but also to gain opportunities such as acquiring new clients.

2. Reduction of reputation risk and enhancement of brand strength in the recruitment market

Transition risk	Physical risk	Opportunity
-----------------	---------------	-------------

The source of NISSO's business is "people", and more than 10,000 diverse human resources visit us for interviews throughout the year. By enhancing our brand strength while promoting measures to prevent global warming, which society demands, we are working not only to reduce reputation risk but also to create new opportunities.

3. Suspension of operations due to floods, etc.

Transition risk	Physical risk	Opportunity
-----------------	---------------	-------------

Supply chains may be disrupted due to abnormal weather such as large typhoons and storms at client factories, or factories may be shut down due to damages, which may affect the working conditions of dispatching and business contracting.

4. Health hazards caused by heat waves, droughts, etc.

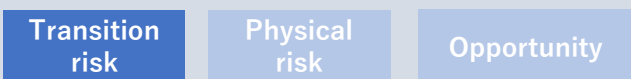
Transition risk	Physical risk	Opportunity
-----------------	---------------	-------------

Due to the increase in heat waves and droughts associated with global warming, health hazards such as heatstroke may increase among NISSO's employees, which may affect their working conditions.

Response to Climate Change (TCFD)



5. Introduction of carbon tax, etc.



In the event that a new tax system such as a carbon tax is introduced due to the increased momentum to respond to climate change, the Company's business performance may be affected.

Note 1: NISSO refers to various scenarios in the World Energy Outlook (WEO) published annually by the International Energy Agency (IEA). Specifically, we identified risks and opportunities based on NZE for the 1.5°C scenario, SDS for the 2°C scenario, and STEPS for the 4°C scenario.

Note 2: NISSO refers to various scenarios in the Fifth Assessment Report (AR5) issued by the Intergovernmental Panel on Climate Change (IPCC). Specifically, we identified risks and opportunities based on RCP2.6 for the 2°C scenario and RCP8.5 for the 4°C scenario. In addition, the 1.5°C scenario refers to the 1.5°C Special Report.

• Risk Management

Analysis and evaluation are conducted in conjunction with compliance and risk management, and approval is given by the Board of Directors after discussion by the Corporate Value Enhancement Committee.

(Reducing CO2 emissions by collecting PET bottle caps)

As part of our social contribution activities, NISSO has set up collection boxes for "PET bottle caps" at our headquarters, and Nisso Pure, our special-purpose subsidiary, collects them regularly and donates them to the Ecocap Movement (NPO Ecocap Promotion Association). The donated PET bottle caps are converted into raw materials for recycled plastic and used for various social contribution activities such as medical support.

In addition, it is said that 430 PET bottle caps generate as much as 3.15 kg of CO2 when incinerated, and donating them will help reduce CO2 emissions. A total of 321,902 PET bottle caps have been collected and donated by December 2021, reducing CO2 emissions equivalent to 2,363 kg.



• Indicators and Targets

While monitoring the current situation and measuring the effects, NISSO is promoting initiatives toward the target of reducing greenhouse gas emissions.

Scope 1 (Emissions calculated from fuel usage of company-owned vehicles)

	FY 3/2021	FY 3/2022
Unit : t-CO2	2,213	2,279

In order to reduce greenhouse gas emissions in our sales activities, NISSO is working to reduce emissions by promoting a switch to more fuel-efficient means of transportation and improving the efficiency of our sales activities.

Scope 2 (Emissions calculated from electricity consumption in offices)

	FY 3/2021	FY 3/2022
Unit : t-CO2	738	714

While promoting efficiency in our business activities, NISSO is working to reduce electricity consumption and emissions by curbing overtime and other overtime work.

Note: In order to calculate CO2 emissions, NISSO uses "Sustana", a cloud service provided by Sumitomo Mitsui Banking Corporation to support CO2 emissions calculation and reduction (validation of calculation formula and emission count DB confirmed by SGS Japan Inc.).

NISSO has set the following greenhouse gas emissions reduction targets and will continue to implement them further.

(Target)

Achieve carbon neutrality (net zero emissions) by 2050

Furthermore, NISSO will continue to examine short-term targets and medium-term targets up to 2030.

Development of Human Resources



Basic View

With social changes such as labor shortages, declining birthrates and an aging populations, regional decline, advanced information processing technology, and the control of greenhouse gases, companies, human resources and services with the ability to create new added value are in demand.

The Nisso Group is committed to implementing the Human Resources Development Policy in order to develop human resources who can take on the challenge of infinite possibilities in all fields.

In order to build a virtuous cycle that improves service quality and employee engagement, we will provide more opportunities for diverse human resources, including education and training, to increase added value.

Human Resources Development Policy

Believing in the potential of each person and bringing out such potential are thoughts that have been consistently included in our philosophy since our foundation, and they are fundamental concepts for promoting human resources development. The Nisso Group will develop human resources who challenge all possibilities in all fields in order to achieve sustainable business growth and realize a sustainable society.

- We provide educational opportunities that aim to improve the growth and engagement of each employee
- We provide educational opportunities in response to social changes so that diverse human resources can play an active role in a diverse society
- By providing educational opportunities, we foster independence and willingness to take on challenges, and support the realization of career visions

Educational system and continuous human resources development with an awareness of changes in the times

Based on our founding philosophy of "Nurturing and Bringing Out the Best in People", we aim to provide both "OFF-JT education" to support employee growth, and "OJT education" to provide work experience. In addition, we are strengthening "recurrent education" to enhance expertise while grasping the changes of the times. The education system of the Nisso Group is based on these three fundamental structures.

(FY 3/2022 NISSO's Educational Achievements)

	Direct employees	Indirect employees
Total number of training participants	18,411	491
Training hours per participant	6.62 Hours	12.44 Hours
Total cost of human resources development · training	279 Million yen	13 Million yen

Aiming for High Value-added Education

The Nisso Group aims to provide high value-added education, and has established Nisso Technical Centers and Training Centers, which are education and training facilities, in 8 locations nationwide.



In order to improve the necessary skills and techniques in the MONOZUKURI workplaces, we actively conduct practical training using actual equipment such as semiconductor manufacturing equipment and automobile assembly tools, using the equipment of the education and training facilities.

We will continue to develop human resources so that diverse human resources can flourish in a diverse society by acquiring highly specialized skills and technologies, which will lead to improved engagement with clients and employees.

Main Training Activities

- Training of in-house instructors to build a continuous human resources development system
- Development of on-site leaders with the aim of acquiring the knowledge and skills that they should possess as leaders, such as measuring the effectiveness of quality control and process management using the check sheets for managers
- Development of equipment maintenance personnel using NISSO's own semiconductor equipment



Development of Human Resources



Career Support

Based on our founding philosophy of "Nurturing and Bringing Out the Best in People", we will develop professional human resources who can flourish in various fields. Furthermore, we will promote education in response to social and industrial changes to support our company and people.

• Career Consulting

In order to actively accept the various experiences that employees encounter in their lives and to help them develop a happier life, qualified career consultants provide regular counseling. Employees who receive counseling can set goals by clearly drawing out their career plans from a medium- to long-term perspective.

Career Consulting Results in FY 3/2022

Career consulting by qualified personnel : 7 cases

Day-to-day career consulting : 4,222 cases

※Includes daily workplace change/transfer consultations by business managers and hiring managers

• Operation of Qualification Acquisition Support System

This system requires the acquisition of necessary qualifications based on roles and ranks, such as quality control certification and voluntary maintenance officer certification, including the Class-1 Health Officer, which is a national qualification. We also provide support such as paying for courses and examination fees required for the acquisition of various qualifications.

Results up to March 2022 Successful applicants: 125 employees
Subsidies: 872,340 yen

• Toward the Realization of Career Visions

The Nisso Group will strengthen our education system in order to respond to social changes and changes in industrial structures. In addition, we will conduct "Life Plan Training" to draw up future career designs by taking stock of our own experiences, abilities and characteristics.

Improvement Cases Presentation Conferences

We have introduced TQC (total quality control) activities since the 1980s as a pioneer in the industry, and have been making efforts to improve the workplace with the aim of continuing and developing such activities. We put into practice what we have learned through education · training and connect what we have learned to daily improvement activities. In addition, we hold company-wide "Improvement Cases Presentation Conferences" for the purpose of laterally developing excellent activities. Through a series of activities, employees are inspired by each other, leading to further growth. Continuing from last year, this year's event was held online once again from the viewpoint of preventing the spread of COVID-19 infections.

Held on September 21, 2021 # of attendees: 243

Number of participating teams:

Participation in Preliminary Rounds 46 teams

Participation in Final Rounds 9 teams



(Nisso Technical Center Higashi-Nihon

Cooperation with Kurihara City

Comprehensive Disaster Prevention Drill)

A comprehensive disaster prevention drill was held in Kurihara City on June 12, 2022.

The training was conducted on the assumption that an earthquake with a seismic intensity of 6 or higher occurred and many people were injured, and about 300 participants, including police and firefighters, confirmed the procedures to rescue people left behind in collapsed houses.

The Nisso Technical Center Higashi-Nihon cooperated with participants by renting out facility parking lots so that participants could respond quickly.



Diversity



Basic View

In order to respond to rapid changes in society and industrial structures, it is necessary to create an environment in which diverse human resources, including women, the elderly, foreign nationals, and people with disabilities, can flourish.

In order to transform the Nisso Group into a company where diverse human resources can flourish, we will continue to accelerate and refine our investment in human capital to create an environment conducive to innovation and aim to enhance corporate value.

Initiatives for Diversity

Ensuring Diversity

In order to respond to rapid changes in society and industrial structures, the Nisso Group aims to improve the overall added value as a company by creating a workplace environment in which diverse employees, including women, the elderly, foreign nationals, and people with disabilities, can flourish.

Current Status of the Nisso Group's Human Capital

(As of March 31, 2022)

Number of employees and ratio of females

	Male	Female
NISSO CORPORATION	1,000	240
Ratio of females		19.4%

Ratio of female managers

NISSO CORPORATION	2.5%
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Gender wage gap

NISSO CORPORATION	79.0%
Regular employees	81.7%
Non-regular employees	79.0%

The gender wage gap is calculated by dividing the average annual wage of NISSO's female employees by the average annual wage of our male employees and multiplying it by 100.

Promotion of Participation and Advancement of Women

Promotion of the General Business Owner Action Plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children (April 1, 2019 ~ March 31, 2024)

In order to enable employees to fully demonstrate their abilities by creating a comfortable working environment where they can balance their work and child-rearing, we are conducting activities to raise awareness of the system, which includes maternity leave, childcare leave, and shortened working-hour programs, using notices on the company-wide intranet to make the system widespread.

Promotion of the General Business Owner Action Plan based on the Act on Promotion of Women's Participation and Advancement in the Workplace (April 1, 2019 ~ March 31, 2024)

Based on the Act on Promotion of Women's Participation and Advancement in the Workplace, we aim to increase the proportion of female regular employees to the total number of hires to greater than 15.0%. Therefore, we use graduate recruitment pamphlets and recruitment websites to promote NISSO as a company where women too can flourish. As a result, the proportion of female regular employees to the total number of new hires was 26.0% in 2020, and 31.0% in 2021.



Promoting the Employment of Foreign Nationals

Hiring of New Graduate Foreign Engineers

In order to address the diversity of nationalities in employment, we have been hiring Chinese engineers in cooperation with Chinese universities since 2017. In addition, as of June 2022, the total number of employees hired was 59.

Hiring of Mid-career Employees

The Nisso Group employs mid-career employees to achieve sustainable business growth and a sustainable society. Many of NISSO's managers are mid-career hires, and it is an environment in which diverse employees can aim to pursue their careers fairly.

Diversity (Promotion of Women's Participation and Advancement)



General Business Owner Action Plan based on the Act on Promotion of Women's Participation and Advancement in the Workplace

NISSO CORPORATION Action Plan

Based on the Act on Promotion of Women's Participation and Advancement in the Workplace, in order to expand the recruitment of female employees, we have formulated and are engaged in the following action plan.

1. Plan Period:

For 5 years from April 1, 2019~March 31, 2024

2. Objective

To make the proportion of female regular employees to the total number of hires greater than 15.0%.

3. Content of Initiatives and Implementation Schedule

©April 2019~March 2020

Conduct the planning of PR for women's participation and advancement in the workplace to be posted on next fiscal year's university graduate recruitment pamphlets and recruitment sites, centering on young female employees.

©April 2020~March 2022

Post information on female employees on university graduate recruitment pamphlets and recruitment sites, and promote NISSO as a company where women can flourish.

Introduce a "mentor system" for the purpose of new graduate employee retention.

©April 2020~March 2024

Introduce female employees as role models at company briefing sessions, and create opportunities for them to interact with jobseekers at recruiting events.

【Public Announcement of Information on Women's Activities】

◎ Percentage of female workers among all workers (as of the end of December 2021)

Employees	Part-timers	Manufacturing staff	Dispatched staff	Dispatched staff received
19.1%	60.9%	15.3%	20.5%	94.1%

◎ Difference in the average number of years of continuous service for men and women (as of the end of December 2021)

Last day of December 2019 Women -0.2 years (YoY - 0.2 years)

Last day of December 2020 Women -0.1 years (YoY + 0.1 years)

Last day of December 2021 Women -0.1 years (YoY ±0.0 years)

Promotion of Women's Participation and Advancement in Group Companies

Always next to 「Thank you!」



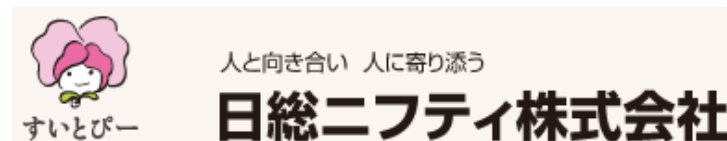
Nisso Brain Co., Ltd. came into existence in Yokohama in March 1986, and aims to be a company rooted in the areas of Yokohama City and Matsumoto City, Nagano, where it has a branch office. At Nisso Brain, a large number of female employees are active, and as of October 2022, the ratio of female employees, including dispatched staff, reached 93.7%.

• Promotion of Workplace Expansion where Women can Flourish

With the exception of unavoidable circumstances, the return rate of female employees after taking maternity leave and childcare leave has been maintained at 100% for the 9th consecutive year, and Nisso Brain has a system in place that allows women to flourish, such as giving them the ability to work shorter hours even after returning to work. In order to balance work and child-rearing, the understanding and cooperation of the staff around us is indispensable, and Nisso Brain has established a system in which the head of each department can always understand the current situation and support working mothers throughout the department. In addition, to support the career development of young female dispatched staff, Nisso Brain has implemented a career enhancement program that allows them to acquire qualifications while working, and are working to expand employment opportunities for women.



Coming face-to-face with people and being there for them



Nisso Nifty Co., Ltd. started its participation in the nursing care business in April 2004 with the aim of coexisting with the local community. In the nursing care business, coexistence with the local community is necessary, and many female employees are participating actively. As of the end of September 2022, the ratio of female employees has reached 70.7%. In addition, out of the 6 facilities in Yokohama City, 3 of the facility managers are women, and Nisso Nifty is working to coexist not only with the residents of the facilities, but also with the local community.

• Holding of In-house Information Exchange Meetings on Child-rearing

As an initiative to create an employment environment that makes it easier for both men and women to take childcare leave, Nisso Brain has been holding in-house information exchange meetings on child-rearing since June 2021. The second and third sessions were held in October 2021 and July 2022, respectively, for employees who work while balancing child-rearing and work. Nisso Brain held an online information exchange meeting for male employees who have actually taken childcare leave to talk about their experiences of taking childcare leave, how to play with children during the COVID-19 pandemic, how to put them to sleep, etc.

Diversity (Creation of Opportunities for the Elderly to Flourish)



Promoting the Active Participation of the Elderly

Nikon Nisso Prime Corporation (NNP) was established on January 6, 2020 as a joint venture between NISSO and Nikon Corporation. Our mission is to "create a society where people can continue to work" by developing and securing employment opportunities for older employees of the Nikon Group, and conducting research and development on a framework that enable older people in Japanese society to continue working.

From the inception of Nikon Nisso Prime to October 1, 2022, a total of 14 senior employees with experience in the Nikon Group have moved to new environments and have begun to flourish by utilizing their knowledge and expertise.

Introduction of a Secondary・Supplementary Employment System

“Increasing work-style options and promoting the active participation of the elderly”

On October 1, 2020, Nikon Nisso Prime introduced a secondary・supplementary employment system in order to respond to changes in the social and work environment, including the pursuit of self-fulfillment through today's diverse work-styles, and to further expand opportunities for the elderly to flourish. With the lifting of the ban on secondary・supplementary employment, there are cases where employees can increase their income and improve their skills by experiencing work that are not available in their main occupation. In addition, by utilizing IT tools and remote work, it has become possible for people to work concurrently in rural areas while living in urban areas with their main occupation. These efforts have made it possible to "acquire a new career while continuing with the existing job", which leads to NNP's goal of "adapting to changes in the social environment and continue working".

Career Support for the Elderly

“Providing functions that can respond to diverse changes and diverse work-styles”

Nikon Nisso Prime is working to build career support functions for the elderly who are motivated to work so that they can respond to diverse environmental changes and work-styles in the VUCA (volatile, uncertain, complex, and ambiguous) era. Initiatives such as career support training contribute to raising awareness and motivating employees to continue working in new environments, and to the development of individual skills to realize their career plans. Combined with career interviews, etc., it strongly encourages participants to change their mindset (others → themselves), resulting in more effective career support.

(Career support results from January 2020 to the end of September 2022)

- Career support training # of times: 24
of participants: 1,103 total
- Career interviews # of times: 476 total
- Consciousness change after taking the course
Before course: 77% → After course: 95%

(Q: How was your career after age 60 before and after the training?)

A: Change in the percentage of "I thought about it vaguely" and "I thought about it specifically")

Creating New Opportunities for the Elderly to Flourish "Cooperation with local authorities. Promoting regional

revitalization with the diverse experiences of the elderly."

In April 2021, the Act for Stabilization etc. of Employment of Older Persons etc. was amended and enforced, and measures to secure employment opportunities until the age of 70 were stipulated as an obligation for companies to make efforts. In the era of the so-called "100 years of life", NISSO believes that in order for individuals to work as long and energetically as possible, broadening their horizons and taking on challenges without being limited to a single company or region will lead to growth and "fulfillment" for the elderly, and that this will also contribute to the creation of innovation in society as a whole. If we turn our attention to rural areas, "sustainable urban development" initiatives are being promoted in various regions, and diverse experience of human resources working in urban areas are required.

Nikon Nisso Prime aims to actively contribute to the challenges of regional revitalization, the declining birthrate and population decline in Japan through "relationships with people" that utilize the knowledge, expertise and diverse experiences possessed by the elderly, and is working on activities to create attractive communities in cooperation with local authorities. In addition to contributing to the local community, these activities provide new opportunities for the elderly to flourish, and by demonstrating the knowledge and expertise they have cultivated, they are linked to the creation of new "purpose in life" and "fulfillment".

<Initiatives with Local Authorities>

※Order of conclusion of partnership agreements



Buzen City, Fukuoka

(Agreement concluded on Nov. 5, 2021)

Promotion of regional revitalization and SDGs



Nanbu-cho, Tottori

(Agreement concluded on Dec. 16, 2021)

Regional revitalization initiatives aiming for sustainable local communities



Tsuru City, Yamanashi

(Agreement concluded on Mar. 17, 2022)

Promotion of regional revitalization through government-private sector collaboration



Naie-cho, Hokkaido

(Agreement concluded on Aug. 31, 2022)

Promotion of regional revitalization and regional activation

Diversity (Active Participation of Employees with Disabilities)



Active Participation of Employees with Disabilities

In April 2007, Nisso Pure Co., Ltd. was established as a special-purpose subsidiary of NISSO in order to actively hire people with disabilities, with the aim of fulfilling corporate responsibility through the employment of people with disabilities.

Nisso Pure Corporate Philosophy

Through the expansion of employment of people with disabilities, we aim to put into practice the philosophy of the founder of the Nisso Group, "Nurturing and Bringing Out the Best in People", and further contribute to society.

Nisso Pure's mission is to develop the skills and abilities of employees with disabilities through their work, thereby creating a stage for the growth and self-realization of each individual, expanding the circle of activities, and leading them to rich and happy lives.

Going forward, Nisso Pure will continue to contribute to the realization of a sustainable society while growing together as a company that not only complies with laws and regulations, but also has a high sense of ethics, accepts diverse values, and values each and every person's motivation and work satisfaction.

Initiatives for Employment of People with Disabilities at Nisso Pure

At Nisso Pure, employees with various disabilities (physical, intellectual, and mental) are referred to as Challenged Staff (CS), and staff who provide guidance and support to those employees are referred to as Servant Staff (SS). For CS employees, as people who take on challenges, Nisso Pure will continue to expand the scope of their work areas to make full use of their potential and develop them to flourish.

Promotion of Employment of People with Disabilities

Aiming for the success of each and every employee, the SS, who provide guidance and support to employees, are qualified as job coaches (company-registered workplace adaptation supporters), utilize internal systems such as the leader system, the Meister system, and the commendation system, and strive everyday to develop abilities and increase motivation tailored to the qualities of each employee with disabilities. In April 2022, 8 new leaders were elected, bringing the total number of leaders in the workplace to 28.

As a result, the number of employees with disabilities employed by Nisso Pure was 174. In addition, NISSO's employment rate for people with disabilities as of June 1, 2022 was 2.32% (number of people employed with disabilities: 210 / 282 points).

Activities during the COVID-19 Pandemic

In place of the "Appreciation Festival", which was held every year before the COVID-19 pandemic, Nisso Pure continued to post information related to activity reports on Facebook in FY 3/2022.

Facebook : <https://www.facebook.com/nisso.pure>

(in Japanese only)



Promoting the Stages for Activities

As an initiative to promote its activities externally, Nisso Pure conducts "workplace experience training" and "workplace tours". Local school officials, support organizations, parents, and parties concerned are able to see CS employees who are actually working, and Nisso Pure is increasing the number of people who understand and cooperate with the employment of people with disabilities at Nisso Pure, as well as those who work with them.



Kanagawa Skills Competition for Persons with Disabilities (Abilympics)

The Abilympics is a competition in which people with disabilities compete in vocational skills (abilities), and Nisso Pure participates with the aim of improving the skills of their staff by demonstrating and further refining the skills cultivated in daily work.

This year's event was held in October 2022, and 2 members of the on-premise cleaning team and 1 member of the light-work team participated from Nisso Pure.



Continuous Service Awards Ceremony

In January 2022, a ceremony was held to recognize employees with 10 years of continuous service, and 9 CS employees and 1 SS employee were honored.



Coexistence with Diverse Communities (Contribution to Local Communities)



Local Environmental Conservation Activities

The Nisso Group is a company with branches throughout the country, and we believe that partnerships that include local communities throughout the country are important. As a member of the local community, we contribute to the revitalization and development of the economy by understanding each custom and culture through the creation of employment opportunities in the region, giving consideration to the environment, and participating in social contribution activities. By continuing such activities, we will work toward the goal of becoming a company that coexists and lives together with the local community.

- **Conducted clean-up activities around the Shin-Yokohama HQ**
(May 2022)

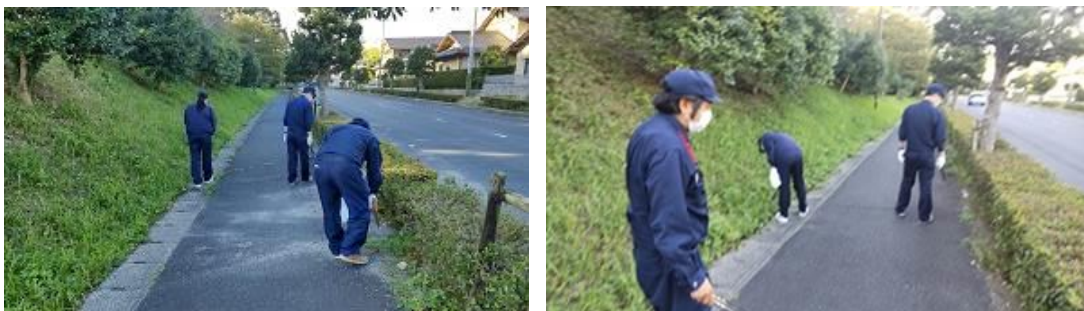
A total of 6 bags of garbage were collected from 3 clean-up routes.



- **Conducted clean-up activities at client sites** (April 2022)
Cleaned-up client parking lots and main gates.



- **Conducted clean-up in areas outside worksites** (July 2022)
4 participants cleaned-up the areas outside worksites.



- **Volunteer participation at client clean-up activities**

As a member of the local community, we participated in volunteer clean-up activities sponsored by client companies in order to contribute to the creation of safe and secure communities. We cleaned the curved traffic mirrors around factories in groups of three to ensure the safe and secure travel of local residents.



Contribution to the Local Community through Heartfelt Nursing Care

Nisso Nifty started participating in the nursing care business in April 2004 with the aim of "contributing to society through community-based heartfelt nursing care". "Sweetpea" nursing care facilities have been nurtured to count 6 facilities in Yokohama City with the cooperation of many people, with the hope that elderly people and their families can continue to live enriched and fulfilling lives for a long time.



Through our nursing care business, we participate twice a year in the replanting of flowers in Enokido Park, which is a place of relaxation for locals and residents, in order to reduce the burden of nursing care on local families and to coexist with the local community, and have opportunities to interact with local residents. In addition, since November 2019, we have been participating in a "mobile sales" project in collaboration with AEON Food Service, and we have been supporting shopping for elderly people living alone and households raising children in the community.



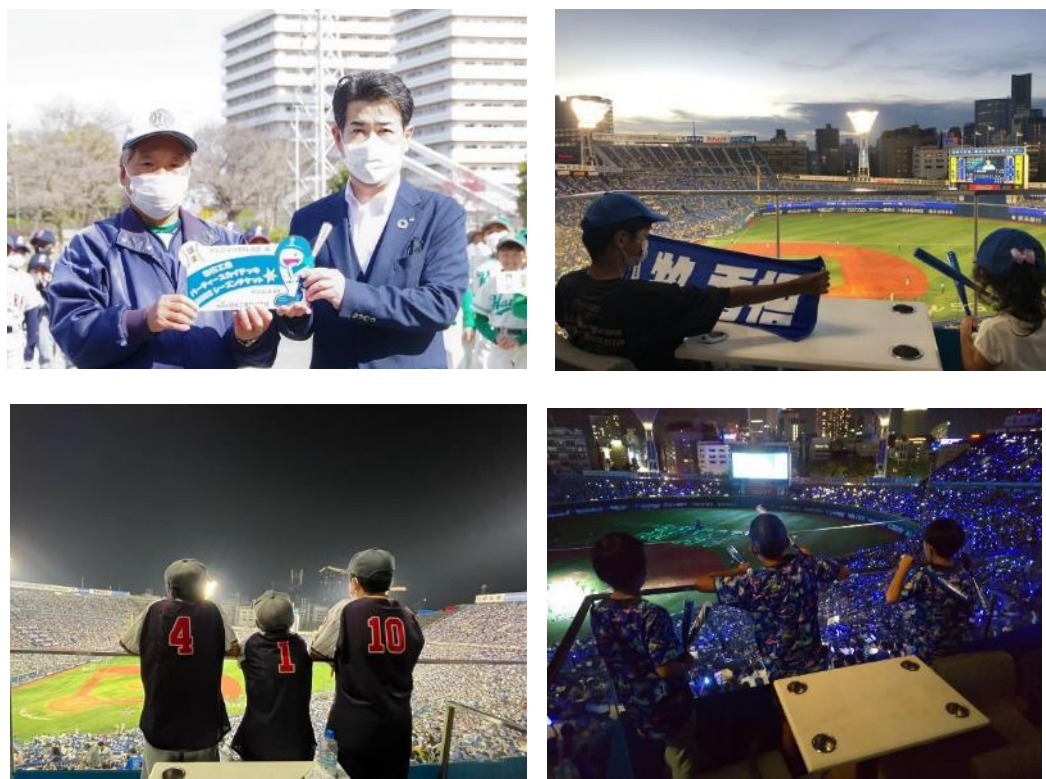
Coexistence with Diverse Communities (Support for Local Sports)



Support for Local Sports

Co-sponsorship Agreement with Yokohama DeNA BayStars

The Nisso Group hopes to contribute to the revitalization of local sports and the development of the next generation through our support for sports. Since 2018, NISSO has signed a co-sponsorship agreement with "Yokohama DeNA BayStars", and have acquired the annual right to use 4 box seats on their Party Sky Deck. In FY 3/2023, as part of our community contribution activities, we donated the "NISSO Party Sky Deck 2022 Season Tickets" to the Yokohama Rubber Baseball Association, and are contributing to their growth by providing opportunities for the children to see and feel the success of professional baseball players up close and be pleased.



Support of Kanagawa University Football Club

Since 2018, Nisso Brain Co., Ltd. has been supporting the Kanagawa University Football Club, and this year marks their fifth year as a supporter. In FY 3/2023, we will continue to support the activities of the Kanagawa University Football Club, which is competing in the Kanagawa Prefecture University Football League, which aims to be promoted to the Kanto League second division next fiscal year.



(Participation in disaster recovery volunteer activities in Chiba Prefecture where training camp was held [2019])

Support for Kanagawa University's Track and Field Club Ekiden (Road Relay) Team

Based on our founding philosophy of "Nurturing and Bringing Out the Best in People," NISSO is carrying out activities aimed at coexistence with diverse communities in order to respond to social changes and changes in industrial structures.

Based on the founding principles of "Sincere and Resilient", "Forward-thinking", and "Balanced and Steady", Kanagawa University is actively engaged in the development of university sports, centered on the Athletic Department. The students of the Priority Strengthening Department spend their student lives diligently studying both schoolwork and sports since they are truly "accomplished in both academics and athletics".

In support of the educational philosophy of Kanagawa University, NISSO started supporting the track and field club Ekiden team in December 2021 with the aim of "developing human resources through sports" by helping to invigorate Yokohama, Kanagawa, which is also our hometown.



From the Ekiden Team to the entire Track and Field Club

NISSO, which started supporting the Kanagawa University track and field club, further expanded our circle.

The track and field club consists of a long-distance team and a short-distance block, along with the Ekiden team, and there are many students who take on the challenge of their own limits in track and field along with their studies, including athletes without sports scholarships.

NISSO, which is headquartered in Yokohama, Kanagawa, started supporting Kanagawa University's entire track and field club from April 2022 with the aim of further promoting "regional revitalization" together with Kanagawa University.

Aiming to strengthen industry-academia collaboration through support, we will continue to support the development of athletes in the Kanagawa University Track and Field Club.





Corporate Governance

■ Basic Views on Corporate Governance

The Nisso Group is promoting respect for human rights and the creation of compassionate human relationships based on (our founding philosophy) "Nurturing and Bringing Out the Best in People". With the aim of creating new corporate value that can contribute to society by striving to create and establish our own unique, proprietary technologies, NISSO shall ensure the transparency of management by complying with laws and ordinances and disclosing accurate information. We recognize the importance of corporate governance in order to achieve continuous improvement of corporate value, and conduct management focused on compliance. Furthermore, we respect the rights of shareholders, and aim to be a company that is trusted by society.

Corporate Governance Structure

In addition to establishing a General Meeting of Shareholders, the Board of Directors, the Audit and Supervisory Board, and an Accounting Auditor, NISSO has set up a division in charge of internal auditing to monitor business operations on a daily basis. We have adopted this structure based on the judgment that the mutual cooperation among these organizations will ensure the soundness, efficiency and transparency of management.

• Board of Directors

NISSO's Board of Directors is comprised of 3 members (including 2 External Managing Directors). In addition to holding regular Board of Directors' Meetings once a month, in principle, a system has been established where extraordinary meetings can be flexibly held when important matters arise. As a supervisory body for decision-making and business execution of important matters concerning the management of NISSO, the Board of Directors examines the validity, efficiency and fairness of management, and resolves matters that are stipulated by laws and ordinances as well as other matters related to important business tasks. In addition, all Audit & Supervisory Board Members attend the Board of Directors' Meetings, and are equipped with a situation where decision-making audits can be conducted at all times.

• Audit & Supervisory Board Members and

Audit and Supervisory Board

NISSO is a company with an Audit and Supervisory Board, and it is comprised of 3 Audit & Supervisory Board Members (including 3 External Audit & Supervisory Board Members). The auditing policy and auditing plans are discussed and decided by the Audit and Supervisory Board. In addition to striving to communicate with Managing Directors and employees, etc., to gather information, Audit & Supervisory Board Members attend Board of Directors' Meetings, receive reports on the status of the execution of duties from Managing Directors and employees, request explanations as deemed necessary, inspect important decision making documents, and investigate the status of the Company's business operations and assets. The Audit and Supervisory Board convenes on a regular basis once a month, and extraordinary meetings are held occasionally as deemed necessary. Furthermore, the Audit & Supervisory Members work closely with the Internal Auditing Division and the Accounting Auditor, and strive to enhance the effectiveness and efficiency of audits.

• Nomination and Remuneration Committee

The Nomination and Remuneration Committee is comprised of 2 External Managing Directors, the Representative Director, President & CEO, and 1 External Audit & Supervisory Board Member, and is chaired by an External Managing Director. For the purpose of enhancing the transparency of personnel affairs and remuneration, etc., of Managing Directors, Audit & Supervisory Board Members, and Executive Officers, it will report to the Board of Directors matters concerning (i) the personnel affairs of Representative Directors, Managing Directors, Audit & Supervisory Board Members, Executive Officers and Managing Directors of subsidiaries, as well as successor planning based on the perspectives of diversity and skills, and (ii) the remuneration structure and remuneration levels of Managing Directors and Executive Officers based on the evaluation of the company's business performance, etc. The Nomination and Remuneration Committee will be convened at any time as deemed necessary. Discussions on successor planning are ongoing.

• Management Committee

The Management Committee is comprised of Internal Managing Directors, the full-time Audit & Supervisory Board Member, the Managing Executive Officer, Senior Executive Officers, and Executive Officers, and convenes once a month. It ascertains management figures, and discusses/reports on important measures and policies.

• Group Meetings

Group Meetings are comprised of the Company's Managing Directors, Audit & Supervisory Board Members, the Managing Executive Officer, Senior Executive Officers, the Corporate Planning Division Director and representatives of affiliated companies, and convenes once a month. Reports regarding the status of business operations as well as business performance results are received at Group Meetings, and business plans and significant factors that contribute to their differences are confirmed. In addition, progress reports and policy guidance regarding important matters such as management issues are conducted.

• Corporate Value Enhancement Committee

The Corporate Value Enhancement Committee is comprised of the Company's Managing Directors, Audit & Supervisory Board Members, the Managing Executive Officer, Senior Executive Officers, Executive Officers, representatives of subsidiaries, and the Company's Internal Auditing Office Director. It conducts reports • deliberations of issues for the prevention of corporate scandals for the entire Group, the strengthening of our multifaceted corporate structure, and the realization of sustainable businesses, as well as constructing a management system to enhance corporate value over the medium- to long-term. The Sustainability Council, which belongs to the Corporate Value Enhancement Committee, clarifies the roles that the Company should fulfill through its businesses to shareholders, society, and other stakeholders, establishes the structures to put them into practice, and promotes their appropriate operations • checks. The Internal Control • Compliance Council establishes, operates, and checks the internal control structure of the Group, reviews its compliance observance status, and promotes risk

Corporate Governance



assessment · countermeasures. In order to make effective use of the Group's resources, assets, and capital, the Investment and Loan Review Council promotes the establishment of standards and management methods that include not only financial aspects but also non-financial aspects such as environmental · social impacts. The Committee convenes 3 times a year, but extraordinary meetings are held as deemed necessary.

• Remuneration for Officers, etc.

NISSO has established the amount of remuneration, etc., for officers, or a policy concerning the determination of the calculation method thereof, and the contents are determined in consideration of a balance between common practices, business contents and employee salaries, etc., in order to secure superior management personnel and to carry out appropriate treatment. In addition, the remuneration for Managing Directors, excluding External Managing Directors, shall provide incentives for the realization of the Medium-term Management Plan and the achievement of short-term performance, in order to enhance the sustainable corporate value of NISSO for the purpose of sharing benefits (profits) between the shareholders and Managing Directors.

Internal Control (Risk Management) Structure

With regard to NISSO's risk management structure, we recognize that it is an important management issue to appropriately manage diversifying risks and prevent the occurrence and spread of damages in a rapidly changing economic environment. In order to properly grasp and manage risks, in addition to establishing internal regulations, NISSO conducts regular internal audits, establishes and operates a Corporate Value Enhancement Committee, and strives to reduce risks by developing corporate activities in compliance with laws and regulations. Specifically, in order to respond promptly and accurately to factors that hinder the situation, we have established various regulations such as "Compliance Regulations" and "Risk Management Regulations", and are implementing measures to identify/evaluate risks and formulate countermeasures to prevent risks and other factors from occurring. In addition, NISSO has concluded an advisory contract with a law firm, and has a structure in which we can receive advice and guidance at any time.

(Declaration of Partnership Building)

On October 15, 2020, NISSO announced the "Declaration of Partnership Building". In addition to working to increase additional value throughout the supply chain, we aim to build co-existence and co-prosperity with business partners by collaborating beyond existing business relationships and corporate scales.



"Declaration of Partnership Building"

Business Continuity Plan (BCP) Initiatives

In order to prepare for various risks that may hinder business continuity, such as large-scale disasters, pandemics, etc., the Nisso Group has formulated the "Nisso Group Business Continuity Plan (BCP) Basic Policy", and has made efforts to raise awareness for ensuring employee safety and has prepared manuals for business continuity.

■ Nisso Group Business Continuity Plan (BCP) Basic Policy

In order to prepare for various risks that may interfere with business continuity, such as large-scale disasters, pandemics, etc., the Nisso Group has established the "Nisso Group Business Continuity Plan (BCP) Basic Policy" in accordance with the spirit of the Nisso Group's management and corporate philosophies. Group employees shall recognize the basic concept of this policy, and make appropriate decisions and actions as members of a socially responsible company.

1. We shall develop a plan to achieve the following objectives:
 - 1) We shall place top priority on the safety and security of our employees, their families, and our service users.
 - 2) We shall support the business continuity of our clients and business partners.
 - 3) We shall support the reconstruction of disaster-stricken areas and contribute to local communities.
2. We shall clarify the operations to be continued and restored, and implement specific measures in a planned manner.
3. We shall conduct education · training for our employees and throughout our organization on a regular basis in order to make continuous improvements.

(Evacuation drills at Chiba Sales Office and Ibaraki Recruitment Office)

In November 2021, the Chiba Office and Ibaraki Recruitment Office conducted their own disaster prevention drills. In order to help employees reduce the risk of injuries and other hazards in response to climate change and disasters such as earthquakes and fires, dangerous areas in buildings, the location of fire prevention equipment, evacuation routes, and the areas of evacuation sites at workplaces were confirmed.



Dialogue with External Audit & Supervisory Board Members



Audit & Supervisory Board Member (External)
Hideo Sakano

Audit & Supervisory Board Member (External)
Ryuta Hasegawa

Full-time Audit & Supervisory Board Member (External)
Akira Ishida

■ Interview with External Audit & Supervisory Board Members

"Strengthening of governance" is essential for achieving the goals of the Medium-term Management Plan and sustainably enhancing corporate value. The Nisso Group strives to ensure compliance with laws and regulations and to establish a governance structure that aims to achieve highly transparent dialogue with stakeholders, including shareholders. Therefore, in order to strengthen the Nisso Group's management structure and internal controls, we received recommendations from the External Audit & Supervisory Board Members regarding the current situation, issues, and compliance structures.

— What is your view on the role that should be played as an External Audit & Supervisory Board Member?

Ishida As stipulated in the Companies Act, the role of Audit & Supervisory Board Members is to ensure that there are no flaws in the decision-making process of the Board of Directors. The fundamental role of the Audit & Supervisory Board Members is to confirm through the Board of Directors whether the opinions are limited to only a few or whether a variety of ideas are incorporated. The Board of Directors of NISSO incorporates not only the opinions of Managing Directors but also the opinions of Audit & Supervisory Board Members, and we recognize that the governance of the entire Nisso Group is moving forward in a positive direction every day.

Hasegawa I agree. In the past, at a meeting of the Audit & Supervisory Board Members, it was discussed that "there is no future for a company whose Audit & Supervisory Board Members are too busy", but this is not felt only at NISSO but also at our affiliated companies. I believe that our corporate culture is also moving in a positive direction. On the other hand, I feel that the role of Audit & Supervisory Board Members will expand and our responsibilities will become more important as the scope of audits for so-called sustainability, such as ESG, needs to be further expanded in line with changes in society.

Sakano Companies are changing in an era in which consideration is required not only for shareholders but also for stakeholders, such as society in general. Taking a long-term perspective and coexisting with society is becoming a pillar of our strategy, and the role of Audit & Supervisory Board Members is expanding.

When conducting audits, we believe that it is important to check whether there is any hidden information and whether judgments are made based solely on common sense within the company, in light of the common sense of society. We are Audit & Supervisory Board Members, and at the same time, External Officers. Although the most important thing is that the independence of External Officers can be ensured, at NISSO, 2 out of 3 Managing Directors and 3 out of 3 Audit & Supervisory Board Members are External Officers, and if too much independence is achieved, there is a concern that on-site information will not be available. At NISSO, we believe that processes such as sales and management are sufficiently ensured under the executive officer structure, and it is the important role of the Audit & Supervisory Board Members to ensure that these things do not change.

Ishida Looking back at the history of Audit & Supervisory Board Members, we can see that the duties of Audit & Supervisory Board Members have expanded from accounting audits to the introduction of audit firms, and from legality audits to validity audits and efficiency audits. In addition, DX (digital transformation) will become essential in order to realize the Nisso Group's business expansion strategy. From a long-term perspective, I believe that companies that are able to develop highly literate human resources in a way that sets them apart from executive departments will grow.

Hasegawa I believe that it is the responsibility of the Audit & Supervisory Board Members to revitalize communication with the workplace, including the Internal Auditing Office, and to conduct audits without forgetting the basics.



Ryuta Hasegawa
Audit & Supervisory Board Member (External)
Appointed: June 2017

- 4.1971 Joined The Kyowa Bank, Ltd. (current: Resona Bank, Limited)
- 6.1999 NiimuraPrinting, Executive Officer
- 6.2000 NiimuraPrinting, Director in Charge of Sales Management
- 6.2012 NiimuraPrinting, Counselor
- 6.2017 External Audit & Supervisory Board Member of NISSO (present)

Dialogue with External Audit & Supervisory Board Members



– Please make any suggestions on the Nisso Group's compliance structure

Ishida When you think about what compliance is, it becomes important to make sure that things don't move under the table, meaning that decisions are made based on all the information. Although the Nisso Group believes that the basics are thorough, the basis of compliance management is to conduct business operations based on the premise that accidents, violations, and fraud will inevitably occur, to a greater or lesser extent. Management should establish a structure in which discussions can be held based on all information, without concealing it, and as an Audit & Supervisory Board Member, I do not neglect to confirm that there is no hidden information.

Akira Ishida

Full-time Audit & Supervisory Board Member (External)
Appointed: June 2020

- 4.1974 Joined Mitsubishi Bank, Ltd. (current: MUFG Bank, Ltd.)
- 6.2016 External Audit & Supervisory Board Member of NISSO
- 6.2016 KAWATA MFG. CO., LTD., Outside Director (Audit and Supervisory Committee Member)
- 6.2020 Full-time Audit & Supervisory Board Member of NISSO (External) (present)



Hasegawa As I mentioned earlier, on-site information is the most important aspect of audits, and we work closely with the Internal Auditing Office. Because we are a leading company that has continued business operations centered on people for many years, we believe that we have been able to establish a compliance structure. But that doesn't mean something won't happen. In order to further strengthen compliance management, I would like management to deepen its discussions, and as an Audit & Supervisory Board Member, I would like to confirm the contents of these discussions.

Sakano I think that thorough compliance is a sign of our corporate culture. Although I think it is extraordinary that we have established a structure in which many people are interviewed and many people are employed throughout the year, since no scandals or misconduct occur, we believe that such a structure is already in place. The attitude of top management will become even more important in order to build a corporate culture that is open to the public and less prone to fraud, and as an Audit & Supervisory Board Member, I would like to confirm the process to further ensure thorough compliance.

Hideo Sakano

Audit & Supervisory Board Member (External)
Appointed: June 2020

- 10.1995 Joined Showa Ota & Co. (current: Ernst & Young ShinNihon LLC)
- 4.1999 Registered as Certified Public Accountant
- 3.2005 Established Sakano CPA Office, Representative Director (present)
- 6.2020 External Audit & Supervisory Board Member of NISSO (present)



Ishida NISSO is reaching 50 years since our establishment. There are many companies with a long history in Japan, and I think it is more important than ever to understand the good examples of such companies and develop them within the company. I believe that the fact that we have met and parted ways with many people in the Nisso Group, which is centered on people, is an asset of the Nisso Group, and I am confident that by refining these experiences, NISSO's compliance will grow.

As Audit & Supervisory Board Members, we would like to thoroughly ascertain the process and strive to increase transparency for shareholders and other stakeholders.

(Reference)

• Status of Audits by Audit & Supervisory Board Members

NISSO has established an Audit & Supervisory Board in accordance with the Companies Act. The Audit & Supervisory Board consists of 3 members, 1 Full-time Audit & Supervisory Board Member (External) and 2 Audit & Supervisory Board Members (External), and has established and operates a system to ensure that audits are conducted effectively. As of October 2022, Audit & Supervisory Board Members audit the status of the execution of duties by Managing Directors by attending the meetings of the "Board of Directors", the "Management Committee", "Group Meetings", and the "Corporate Value Enhancement Committee" and expressing opinions when necessary. In addition, they hold regular meetings with the Representative Director to exchange opinions. The 3 Audit & Supervisory Board Members hold regular meetings to conduct appropriate monitoring from the standpoint of an independent organization, and maintain close cooperation with the accounting auditors by actively exchanging information and opinions.

• Attendance of Audit & Supervisory Board Members at Meetings (FY 3/2022)

Meeting Name (# of times held)	Akira Ishida	Ryuta Hasegawa	Hideo Sakano
Audit and Supervisory Board (13)	13	13	13
Board of Directors (19)	19	19	19
Management Committee (12)	12	–	–
Group Meetings (12)	12	12	12
Corporate Value Enhancement Committee (4)	4	4	4

Compliance



■ Ethics Policy

NISSO, as well as our officers and employees, shall uphold and comply with the following policy in order to share our commitment to and ensure the awareness of compliance, which is fundamental to corporate management.

① (Ethical compliance with laws and regulations)

With high ethical standards, we shall act with integrity and respect both the letter and the spirit of the law both at home and abroad.

② (Elimination of improper benefits)

We shall prohibit bribery, corruption, extortion, and embezzlement of any kind. In addition, we shall not engage in acts that fall within the scope of bribery, such as granting, accepting, requesting, authorizing, or making promises for (improper) benefits, with the aim of engaging in inappropriate acts which violate laws and internal regulations by abusing our authority or position in the course of our duties.

③ (Information disclosure and transparency)

We shall disclose corporate information to our stakeholders, such as clients, shareholders · investors, business partners, the government, local communities, and society in a timely · accurate manner in order to enhance transparency.

④ (Protection of intellectual property)

We shall respect the intellectual property of others obtained through our corporate activities, and protect confidential information.

⑤ (Fair · transparent · free competition and business transactions)

We shall always engage in fair · transparent · free competition and business transactions in domestic and overseas markets.

⑥ (Protection of identities and elimination of retaliation)

In conformity with laws and internal regulations, we shall protect those who report any wrongdoings (whistle-blowers) using internal systems, such as by telephone or e-mail, from being forced into disadvantageous situations or from being retaliated against.

⑦ (Dissemination and thorough observance)

In order to ensure the thorough observance of this policy, we shall appropriately implement education for our officers and employees, disseminate its content, and conduct checks on a regular basis to further promote compliance management.

Compliance System

NISSO has established the "Nisso Group Charter of Corporate Behavior", which indicates the core concepts of a company that conducts sound and sincere business activities, and the "Nisso Group Employee Code of Conduct", which provides specific action guidelines. We also distribute the pocket leaflet "NISSO Michishirube" (literal meaning: "NISSO Guidelines") which contains the aforementioned Charter and Code to officers of NISSO and our subsidiaries in order to ensure compliance of laws, regulations and ethical behavior. In addition, we have developed an educational system on compliance based on our "Compliance Regulations", and provide regular training on such matters to officers and employees. Also, in order to detect violations of laws and regulations at an early stage, NISSO and our subsidiaries have established "Whistleblower Protection Regulations", and have set up the "Nisso Group Internal Reporting Counter" as an external contact point. Furthermore, in addition to prohibiting the disadvantageous treatment of informants, NISSO has developed and continues to operate a system to investigate and administer corrective and recurrence prevention measures in the event of any such submission of reports.

• Establishment of a Counter based on the Internal Reporting System

We have set up the "Nisso Group Internal Reporting Counter" to prohibit disadvantageous treatment of informants, and have developed and are operating a system to investigate and administer corrective and recurrence prevention measures in the event of any such submission of reports.

• Compliance Education

With the aim of ensuring thorough compliance, NISSO distributes the "NISSO Michishirube" to all officers and employees, including the Nisso Group companies, and conducts compliance education once a year. For new employees, we conduct ethics education during new employee training. In addition, we are making thorough efforts to raise awareness of harassment prevention among all employees by hanging posters and issuing notifications on harassment prevention.

• Initiatives to Protect Personal Information

We believe that it is our important responsibility to properly manage the personal information of our clients, business partners, shareholders and other stakeholders acquired through our business activities, and strive to appropriately manage personal information under our Privacy Policy.

Responsibility to Shareholders and Investors



■ Policy for Constructive Dialogue with Shareholders

NISSO actively engages in IR · SR activities based on the following basic policy in order to contribute to the sustainable growth and the enhancement of corporate value over the medium term by promoting constructive dialogue with shareholders and investors.

(1) Designation of management personnel, etc., regarding dialogue with shareholders

The President & Representative Director plays a central role in dialogue with shareholder and investors, and the Senior Executive Officer in charge of IR, along with the division in charge of IR assist and promote such dialogue.

(2) Initiatives for seamless collaboration within NISSO

At NISSO, the Accounting, Finance, Legal Affairs, Internal Auditing, and other business divisions, centering on the division in charge of IR, will work together for constructive dialogue with shareholders through the discussion, sharing and preparation of disclosure information, in addition to cooperating with the "Corporate Value Enhancement Committee" to ensure timely and appropriate disclosures.

(3) Initiatives to enhance means of dialogue other than individual interviews

By recognizing that the General Meeting of Shareholders is a forum for dialogue with shareholders, NISSO strives to set the date and time of the General Meeting by avoiding days when such meetings are concentrated, as well as sending out and disclosing convocation notices and reports as soon as possible.

In addition, in order to help deepen the understanding of NISSO, we hold Financial Results Briefings and Medium-term Management Plan Briefings for institutional investors and analysts, and conduct Company Briefings for individual investors.

(4) Initiatives for feedback of shareholder opinions and concerns

NISSO has established a system for the timely reporting of IR activity reports, including opinions and concerns of shareholders and investors obtained through dialogue, to the Board of Directors, etc.

(5) Initiatives related to management of insider information

Regarding dialogue with shareholders and investors, in addition to establishing "Information Disclosure Regulations" and "Insider Trading Prevention Regulations" in order to prevent material information from being disclosed to some specified persons and to thoroughly manage material information, NISSO has selected a Chief Information Officer, and strives to prevent the leakage of material information and insider trading by internal personnel.

Furthermore, NISSO will refrain from dialogue with shareholders and investors for a certain period of time prior to the announcement of financial results, setting it as a "silent period".

(6) Other initiatives

In addition to regularly ascertaining the shareholder composition on the register of shareholders, NISSO conducts shareholder identification surveys of those who hold substantial shares of NISSO, which is utilized in constructive dialogue with shareholders and investors.

Dialogue with Shareholders and Investors

We actively provide opportunities for dialogue with shareholders and investors in order for them to deepen their understanding of NISSO. In meetings with institutional investors and analysts, we actively engage in dialogue on topics such as shareholder returns and capital policy, in addition to business models, management strategies, and medium-term management plans. In FY 3/2022, we held 115 meetings. Regarding information disclosure, in addition to holding Financial Results Briefings, we actively disclose information voluntarily by disclosing Financial Results Briefing Materials, Main Q&A (questions and answers), etc. Furthermore, we publish reports (shareholder correspondence) and participate in IR events in order to enable shareholders and investors to deepen their understanding of our management strategy and business activities. Moreover, we hold Company Briefings for individual shareholders and investors, and strive to introduce easy-to-understand business contents through various contents on our website.

General Meetings of Shareholders

NISSO places importance on opportunities for dialogue with shareholders and is working to revitalize the General Meetings of Shareholders. In order for our shareholders to fully consider the proposals of the general meetings of shareholders, we post convocation notices on the Tokyo Stock Exchange and the NISSO website 3 weeks prior to the general meeting date, as well as sending them out to our shareholders. In addition, we make efforts every year to make convocation notices easier to understand by posting photos, etc. We also digitalize the exercise of voting rights to create an environment in which shareholders can easily participate by resolution.

On the day of the General Meeting of Shareholders, the President explains in detail the items to be resolved and reported, using videos and narration, and strives to ensure that shareholders can fully deliberate on each proposal item.

Responsibility to Shareholders and Investors



Information Disclosure Methods

NISSO discloses information based on the Financial Instruments and Exchange Act, etc., using EDINET (or Electronic Disclosure for Investors' NETwork, an electronic disclosure system for disclosure documents such as Securities Reports based on the Financial Instruments and Exchange Act) provided by the Financial Services Agency. Information disclosures that fall under the Timely Disclosure Rules will be disclosed on the TDnet (or Timely Disclosure network, a timely disclosure information transmission system) provided for by the Tokyo Stock Exchange. In addition, other important information will also be provided using TDnet as deemed appropriate. In either case, information will be promptly announced on NISSO's website. Please note that the posting of information on NISSO's website may be delayed from the time of announcement on TDnet due to the preparation of tools and systems. To ensure the accuracy of information and the fairness of disclosure, NISSO designates the Representative Director, President & CEO, Senior Executive Officers, and the Director of the PR · IR Division as its spokespersons.

Website Information Disclosure

We have established a dedicated site for shareholders and investors on our website for the purpose of timely information disclosure and improvement of convenience. In addition to quarterly financial results briefing materials, we disclose materials such as Main Q&A, Sustainability Reports, etc., and are aiming to make the site easy to understand and use while enhancing its contents.



<https://www.nisso.co.jp/en/ir/>

(some sections are in Japanese only)

Shareholder Privacy Policy

NISSO will handle and protect the personal information of shareholders in accordance with the Act on the Protection of Personal Information, the Companies Act, and other relevant laws and regulations, as well as NISSO's Privacy Policy.

In addition, within this Policy, shareholders, registered pledgees of shares, or their legal representatives who have been entered or recorded as individuals in the register of shareholders are referred to as "shareholders".

(1) Purpose of use

NISSO will use the personal information of our shareholders for the following purposes:

- ① To exercise the rights and fulfill obligations of shareholders under the Companies Act
- ② To provide various conveniences from NISSO to the position of shareholders
- ③ To implement various measures to facilitate the relationship between shareholders and NISSO
- ④ For shareholder management, such as creating shareholder data according to prescribed standards based on various laws and regulations

(2) Provision of personal information of shareholders to third parties

NISSO will not provide personal information received from shareholders to third parties without obtaining the prior consent of the shareholders concerned, except when it falls under Article 23, paragraph 1 of the Act on the Protection of Personal Information, or Article 23, paragraph 5 of the same Act.

(3) Provision of personal information of shareholders for shared-use

NISSO will not share personal information received from shareholders with specific individuals.

(4) Shareholder Personal Information Inquiries (in Japanese only)

For inquiries regarding the personal information of shareholders, please contact the following:

【Contact information】

(Shareholder Registry Administrator)
 Stock Transfer Agency Business Planning Department
 Mizuho Trust & Banking Co., Ltd.
 2-8-4 Izumi, Suginami-ku, Tokyo 168-8507
 TEL: 0120-288-324 (Toll-free, **in Japanese only**)
<http://www.mizuho-tb.co.jp/daikou/>

Nisso Group Corporate Profile 2022



Corporate Outline

■ NISSO CORPORATION Outline



Company Name	NISSO CORPORATION
Homepage	https://www.nisso.co.jp/en/
Date Founded	February 3, 1971
Capital	2,016 Million JPY (As of March 31, 2022)
Net Sales (Consolidated)	71,697 Million JPY (As of FYE 3/2022)
Headquarters	Nisso Kosan (NISSO) Shin Yokohama Bldg., 1-4-1 Shin Yokohama, Kohoku-ku, Yokohama, Kanagawa 222-0033
Main Business	Manufacturing-related Human Resources Services (Manufacturing Dispatching, Manufacturing Contracting, Employment Placement, etc.)
Registered License Number	Temporary Staffing Business/派14-150048 Employment Placement Business/14-ユ-150026
Corporate Officers	
Representative Director, President & CEO	Ryuichi Shimizu
Managing Director (External)	Shin Monzawa
Managing Director (External)	Miki Ohno
Full-time Audit & Supervisory Board Member (External)	Akira Ishida
Audit & Supervisory Board Member (External)	Ryuta Hasegawa
Audit & Supervisory Board Member (External)	Hideo Sakano

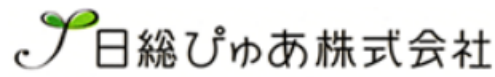
■ Nisso Group Outline



Company Name	Nisso Brain Co., Ltd.
Date of Establishment	March, 1986
Capital	50 Million JPY
Representative	President, Tsuyoshi Miyashita
Headquarters	Nisso Dai Ichi Bldg., 28-26 Toyooka-cho, Tsurumi-ku, Yokohama, Kanagawa
Business Description	Administrative Human Resources Services (General Office Work Dispatching, Employment Placement, Commissioned Projects) Temporary Staffing Business/派14-020001 Employment Placement Business/14-ユ-020011



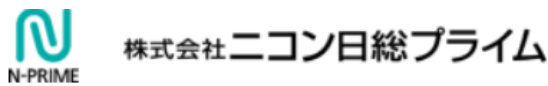
Company Name	Nisso Nifty Co., Ltd.
Date of Establishment	February, 1983
Capital	450 Million JPY
Representative	President, Shinichi Matsuo
Headquarters	Nisso Kosan (NISSO) Shin Yokohama Bldg., 1-4-1 Shin Yokohama, Kohoku-ku, Yokohama, Kanagawa
Business Description	Facility Nursing Care Business, Home Nursing Care Business



Company Name	Nisso Pure Co., Ltd.
Date of Establishment	April, 2007
Capital	40 Million JPY
Representative	President, Takashi Endo
Headquarters	Nisso Kosan (NISSO) Shin Yokohama Bldg., 1-4-1 Shin Yokohama, Kohoku-ku, Yokohama, Kanagawa
Business Description	Light Work Contracting, Sale of Goods (NISSO CORPORATION's Special-purpose Subsidiary)



Company Name	Vector Shinwa Co., Ltd.
Date of Establishment	June, 2004
Capital	78 Million JPY
Representative	President & Representative Director, Masao Kanemoto
Headquarters	3-1 Ikehata, Chiryu City, Aichi
Business Description	General Human Resources Services Business Temporary Staffing Business / 派23-300331 Employment Placement Business / 23ユ-300581 Registered Support Organization Registration Notice Number / 19登-300581



Company Name	Nikon Nisso Prime Corporation
Date of Establishment	November, 2003 (Joint Venture Company established: January, 2020)
Capital	50 Million JPY
Representative	President, Masahiko Yoshida
Headquarters	Shin Yokohama 214 Bldg., 8F, 2-14-2 Shin Yokohama, Kohoku-ku, Yokohama, Kanagawa
Business Description	Human resources dispatching · recruitment Consignment/entrustment · contracting business Human resources sharing business Planning, R&D, operation and support of structure development and opportunity creation for seniors' continued employment Temporary Staffing Business / 派14-303092 Employment Placement Business / 14-ユ-301602



Company Name	SHANGHAI NISSO HUMAN RESOURCES Co., Ltd.
Date of Establishment	November, 2003
Capital	300 Thousand USD
Representative	Chairman, Wang Wan Peng General Manager, Hideaki Sugikawa
Headquarters	Rm. 508, 36-7 Building 7, 36 Xuelin Road, Pudong New Area, Shanghai, China Recruitment, Human Resources Consulting



Company Name	Leaf NxT Inc.
Date of Establishment	August, 2021
Capital	124 Million JPY
Representative	Representative Director, Koji Ishibashi
Headquarters	Honey Gotanda Dai 2 Bldg. 4F 1-4-1 Higashi Gotanda, Shinagawa-ku, Tokyo
Business Description	Human resources dispatching business, development-type qualified personnel dispatching business, recruitment platform business, media direction business, etc.

History of the Nisso Group

1970

- NISSO CORPORATION's predecessor, Nisso Koei Co., Ltd. was established in Minato-ku, Tokyo, for the purpose of conducting welding-related works [1971]

1980

- The predecessor company of the current Nisso Nifty Co., Ltd. was established in Minato-ku, Tokyo [1983]
- Construction of Nisso Dai Ichi Bldg. (Tsurumi-ku, Yokohama/former Headquarters Bldg.) was completed [1984]
- Nisso Office M Two Co., Ltd. was established in Tsurumi-ku, Yokohama, for the purpose of conducting general worker dispatching undertakings [1986] (Obtained licensing for general worker dispatching business in accordance with the enforcement of the Worker Dispatch Law (or "Worker Dispatching Act") in July, 1986)
- Construction of Nisso Dai Ni Bldg. (Hamamatsu City, Shizuoka) was completed [1989]
- The new "NISSO" logo was decided [1989]
- Trade name was changed from Nisso Koei Co., Ltd. to NISSO CORPORATION [1989]

1990

- 6 affiliated companies were merged with NISSO CORPORATION [1991]
- Construction of Nisso Kosan (NISSO) Shin Yokohama Bldg. (Kohoku-ku, Yokohama/new Headquarters Bldg.) was completed [1997]
- Trade name was changed from Nisso Office M Two Co., Ltd. to Nisso Brain Co., Ltd. [1999]
- Trade name was changed from Nisso Fudosan (Real Estate) Co., Ltd. to Nisso Nifty Co., Ltd. [1999]

2000

- Tadao Shimizu was inaugurated as the first Chairman of the Japan Production Skill Labor Association [2000]
- Employment Placement Business license was obtained [2002]
- Temporary Staffing Business license was obtained [2002]
- SHANGHAI NISSO HUMAN RESOURCES Co., Ltd. was established for the purposes of recruiting, dispatching and human resources consulting services in China (49.0% company investment ratio) [2003]
- Pursuant to the removal of the ban on worker dispatching for the manufacturing work of goods, dispatching for manufacturing work was started [2004]
- The international standard for environmental management, the "ISO 14001:2004" certification was obtained by the headquarters office [2005]
- "PrivacyMark" registration was authorized [2006]
- The official mascot character, "Seizo-kun" was born [2007]
- Nisso Pure Co., Ltd. was established in Kohoku-ku, Yokohama for the purpose of facilitating the employment of people with disabilities, and was certified as a special-purpose subsidiary [2007]

2010

- The position of Chairman of the Japan Production Skill Labor Association was assumed by Ryuichi Shimizu [2011]
- The Ministry of Health, Labour and Welfare's commissioned project, the "Superior Manufacturing Contractors" certification was obtained [2011]
- The international standard for quality management, the "ISO 9001:2008" certification was obtained by the Kanazawa Sales Office [2011]
- The recruitment site, "Kojo Kyujin Navi" was renewed [2013]
- The Ministry of Health, Labour and Welfare's commissioned project, the "Excellent Dispatching Business Operators" certification was obtained [2015]
- Was admitted to the Japan Business Federation (Keidanren) [2015]
- The education and training facility "Nisso Technical Center Higashi-Nihon" (Kurihara City, Miyagi) was established [2016]
- "Tohoku Technical Center" and "Nisso Technical Center Higashi-Nihon" were certified as "Accredited Polytechnic Schools" by Miyagi Prefecture [2016]
- The education and training facility "Nisso Technical Center Kyushu" (Buzen City, Fukuoka) was established [2017]
- Was listed on the First Section of the Tokyo Stock Exchange [2018]
- The education and training facility "Nisso Technical Center Naka-Nihon" (Okaya City, Nagano) was established [2018]
- "Nisso Technical Center Naka-Nihon" was certified as an "Accredited Polytechnic School" by Nagano Prefecture [2018]

2020

- Agreed to cooperate with Nikon Corporation in the human resources dispatching business and established joint venture company "Nikon Nisso Prime Corporation" [2020]
- 50th Anniversary of our founding [2021]
- Vector Shinwa Co., Ltd. became a subsidiary with a focus on the contracting business in the manufacturing industry such as for semiconductors and precision equipment [2021]
- Leaf Nxt Inc. was established as a joint venture company through the underwriting of a third-party allotment of shares to a consolidated subsidiary of TSUNAGU GROUP HOLDINGS Inc. [2022]

Description of Business

■ Business Contents

Based on the founding philosophy of "Nurturing and Bringing Out the Best in People", the Nisso Group continues to aim to create workplaces where working people can work with a sense of satisfaction and grow, as well as providing services that will contribute to our growth as a company. In addition, we will continue to aim to improve the quality of the services that we offer, and will strive for the continued growth and prosperity of our businesses.

(General Human Resources Services Business)

Manufacturing-related Human Resources Services

(NISSO · Vector Shinwa Co., Ltd. · Nisso Pure Co., Ltd.)

• Manufacturing dispatching

Manufacturing dispatching is conducted in accordance with the "Act for Securing the Proper Operation of Worker Dispatching Undertakings and Protection of Dispatched Workers" (hereinafter, "Worker Dispatch Law", or "Worker Dispatching Act"), and dispatching services are provided to manufacturers including automobiles, electronic components, precision equipment, and housing equipment.

• Manufacturing contracting

With manufacturing contracting, we provide services to manufacturers, including automobiles, electronic components, precision equipment, and housing equipment. Unlike manufacturing dispatching, manufacturing contracting is characterized by the fact that the contractor company (NISSO) provides job-related instructions, and NISSO must establish frameworks relating to production, quality control, labor management and workplace operations. In response to orders from the ordering party (client manufacturers), NISSO conducts manufacturing, processing and inspections under our own management system, and delivers the finished products (deliverables) upon completion.

• Other

As for matters not included in the above, NISSO's special-purpose subsidiary (Nisso Pure Co., Ltd.) engages in the light work contracting and sales of goods businesses.

Administrative Human Resources Services (Nisso Brain Co., Ltd.)

• General Office Work Dispatching, BPO (Business Process Outsourcing)

General office work dispatching is a business conducted in accordance with the Worker Dispatch Law, (or "Worker Dispatching Act"), and mainly provides dispatching services such as office work and reception-related duties. In addition, Nisso Brain in part administers BPO services and is entrusted with collective operations of its clients.

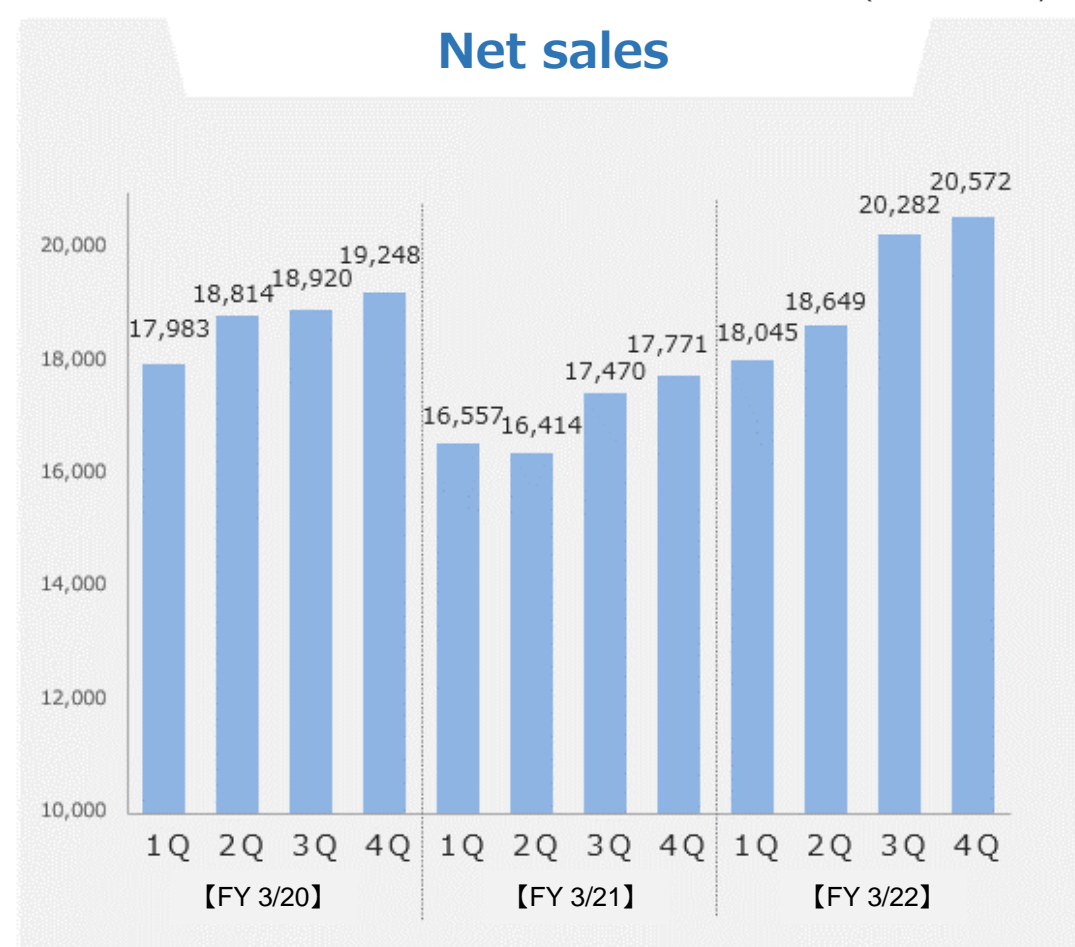
(Other Businesses)

• Other Businesses (Nisso Nifty Co., Ltd.)

The Nisso Group has established nursing care and welfare businesses such as facility nursing care (fee-based senior-care nursing homes) and home nursing care, mainly in Yokohama, Kanagawa and Iwaki City, Fukushima.

■ Financial Data

(Unit: Million yen)



(Unit: Million yen)



NISSO CORPORATION's Concepts

■ Founding Philosophy

Nurturing and Bringing Out the Best in People

We believe in the limitless possibilities of people, growing together through teaching and learning, we will expand our circle of trust while creating a lively, energetic workplace.



■ Corporate Philosophy

NISSO is...

- A people-focused company
- A company that challenges itself
- A company that values co-existence and co-prosperity
- A socially responsible company



■ Business Philosophy

**We aim to create rich human lifestyles,
Expand our circle of trust with integrity,
Be filled with youthful passion and dynamism,
And pursue limitless possibilities.**



■ NISSO's Vision

To Be the Finest Professional Organization Supporting Made in Japan

In order to support the spirit and technology cultivated by Japanese *MONOZUKURI* (manufacturing) from the human aspect, we aim to create a company that allows people with diverse personal characteristics to hone their skills, that produces new innovations on a daily basis, and that always delivers performance that surpasses expectations.

External Evaluation

(NISSO CORPORATION)

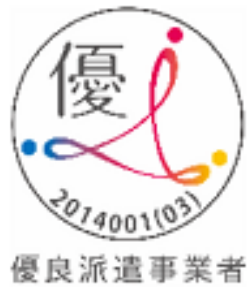
Superior Manufacturing Contractor certification (2010~)

Contractors who operate a superior and appropriate business with good structures in place = Superior Manufacturing Contractors, are granted with accreditation certificates and certification marks (GJ Mark). NISSO received initial certification as a Superior Manufacturing Contractor in 2011.



Excellent Dispatching Business Operator Certification (2015~)

Dispatching business operators who not only comply with laws and regulations, but who also provide dependable services to both dispatched staff and dispatching destinations (client companies), such as supporting the career formation of dispatched employees and securing a better working environment for them, in addition to preventing troubles at dispatching destinations, are certified as "Excellent Dispatching Business Operators". NISSO received initial certification as an Excellent Dispatching Business Operator by the examination and accreditation body in 2015.



PrivacyMark Obtainment (2006~)

The PrivacyMark System is a system that complies with the Japanese Industrial Standard "JIS Q 15001 Personal information protection management systems-Requirements", certifies business operators, etc., who maintain a system to take appropriate protection measures for personal information, and grants PrivacyMarks to that effect, as well as permitting the use of PrivacyMarks for business activities. NISSO obtained the PrivacyMark in 2006.



ISO14001 : 2015 Certification (2005~)

ISO14001 is one of the international standards that is comprised of standards related to various methods of supporting environmental management systems. By repeating the cycle of PDCA (Plan {policy · plan}, Do {implement}, Check {inspect}, and Act {correct, readjust})

based on the requirements, the intention of companies is to continuously improve their level of environmental management. In addition, by receiving third party certification from an external organization, companies are issued with a publicly certified certificate of registration. NISSO obtained ISO14001 certification for management operations at Headquarters for business contracting and human resources dispatching services in 2005.



Obtained at HQ only

ISO9001 : 2015 Certification (Kanazawa Business Office, 2011~)

ISO9001 is one of the international standards that is comprised of a structure that is designed for companies, etc., to always deliver products and services with the quality that clients and society are seeking. NISSO obtained ISO certification for the manufacturing of electronic components (product manufacturing excluding product design + services) by manufacturing business contracting in 2011.



Kanazawa KKM-CSP

Yokohama Health and Productivity 2020 Certification

Yokohama Health and Productivity is a system in which the City of Yokohama certifies business establishments that strategically implement the health promotion of employees from a management perspective as a certified Yokohama Health and Productivity business establishment, based on the viewpoint that initiatives to maintain and promote the health of employees, etc., are investments that increase the profitability of companies. With the declining workforce due to the declining birthrate and aging population, and the need to utilize diverse human resources and enhance productivity, we recognize that maintaining and promoting the health of our employees is a particularly important management issue for NISSO, which considers people to be our greatest assets. NISSO will contribute to the sustainable growth of society as a whole and the realization of a lifelong active society by creating an environment where each and every employee can work safely and actively for a long time, with the Headquarters business office taking a central role.



External Evaluation

2021 Ranking of All Listed Company Websites

Among the corporate sites of listed companies, NISSO's website was evaluated based on 162 objective evaluation items set from the 3 perspectives of "ease of understanding", "ease of use", and "abundance of information, and was awarded the "2021 Excellent Corporate Website Award Comprehensive Commendation for All Japanese Listed Companies' Website Ranking " by Nikko Investor Relations Co., Ltd.



2021 Internet IR Award

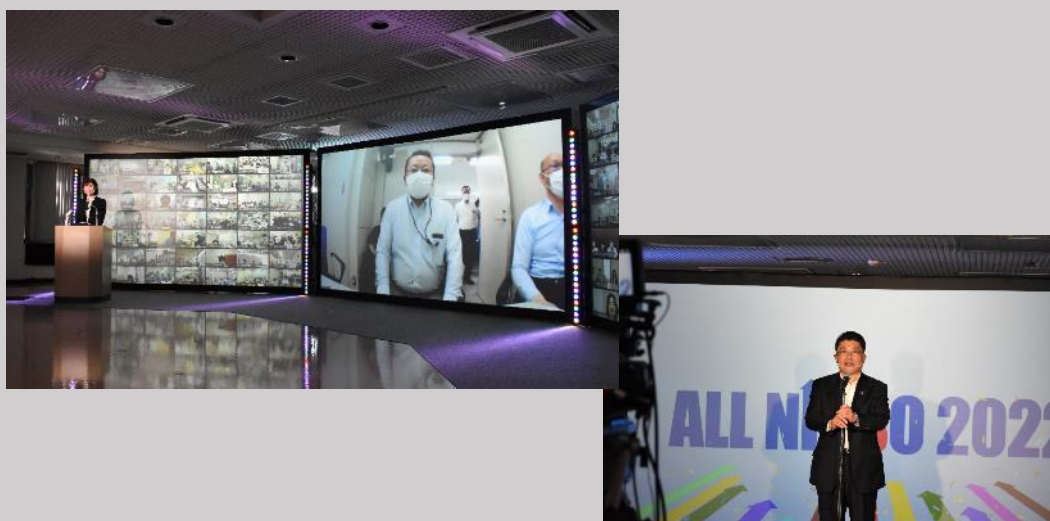
NISSO has been selected as a company that has constructed an excellent IR site and is effectively utilizing it in information disclosure and communication activities, and received the "2021 Internet IR Excellence Award" from Daiwa Investor Relations Co., Ltd.



(COLUMN)

Hosting of ALL NISSO (employee exchange event)

Once a year, employee representatives are selected from all over the country, and an annual business performance and continuous service awards ceremony is held. In addition, exchange events for participants such as quiz tournaments to enhance motivation and communication between fellow employees are provided. In FY 3/2023, the event was held online, as in the previous year.



(Nisso Pure Co., Ltd.)

Yokohama Community Contribution Company

As a company that contributes to the employment of persons with disabilities in the Yokohama area, Nisso Pure received the top-level certification (2008 ~ 2023) as a "Yokohama Community Contribution Company".



Yokohama Good Balance Award

Recognized as a company that promotes the active participation and advancement of women and work-life balance, Nisso Pure was awarded the "Yokohama Good Balance Award" (2015 ~ 2020). This year, Nisso Pure has been continuously certified 5 times, and received the "5 Times Continuation Award".



Yokohama Health and Productivity Certification,

Class AA

Nisso Pure was certified with the "Yokohama Health and Productivity Certification, Class AA" (2020 ~ 2022) for the purpose of improving the profitability of companies in the future through initiatives to maintain and improve the health of employees.





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