

## Commitment to and Communication with Stakeholders



### Customers

We identify customer needs through sales activities, and work to improve our products and services.

### Shareholders and Investors

At the general shareholders' meeting, the president, who acts as the chairman, provides explanations of the business report and business plan. We also hold an IR briefing meeting for institutional investors, analysts, the media, and private investors periodically to explain the overall conditions of our business.

### Employees

Every year, the president visits offices, plants, and laboratories in Japan and overseas to deepen mutual understanding with employees.

### Business Partners

We promote supply chain management and check our business partners' CSR initiatives as necessary.

### Communities and Society

We interact with local communities through measures such as plant tours and visits to local elementary schools to give special classes.

## Relationships with Customers

### Quality Policy and Quality Targets

Our quality policy is "Providing products and services that satisfy customers". Under this policy, we set mid-term quality targets and implement annual schedules along with PDCA cycle in an ongoing effort to improve our management system and operations every year.

Moving forward, we will continue to improve our capability of meeting market needs that are becoming more diverse and complex. We will thereby develop ourselves further as a company that contributes to society.



## Quality Assurance Management System

Our quality assurance management system is based on ISO9001(QMS)\*. Our plants have obtained ISO9001 certification respectively, and maintain and update their certification through the certifying body. They have also completed the transition to the latest version: 2015.

We have established a quality assurance division that is independent of the manufacturing divisions at each plant. Each quality assurance division is responsible for inspecting the quality of each product, and the quality assurance division of the head office conducts quality audits of each plant and affiliate at least once a year. The Environment, Safety & Quality Assurance Committee meets regularly once a year as an organization to promote quality assurance activities on a company-wide basis. The committee reports on the results of plants' and our affiliates' activities, the results of audits, the status of improvements, complaints and the status of corrective actions. The committee discusses the policies for activities of quality assurance. Contents of the discussions are reported to the board meeting, and quality control systems are in place under management review.

\*An international standard on quality management system

### Reporting of Improvements and Survey Results at the Committee

<Temporary voluntary inspections>

In recent years, the falsification of inspection data by other companies has become a major social issue, and the Company has conducted a temporary voluntary inspection to check whether there are any improper or inappropriate behaviors related to quality control. As the results, although slight defects were found in the shipment management system for some products, it was confirmed that there were no improper or inappropriate behaviors related to quality control, such as falsifying, concealing, manipulating and fabricating. We reported this defect to the board meeting and take corrective actions, including notifying customers.

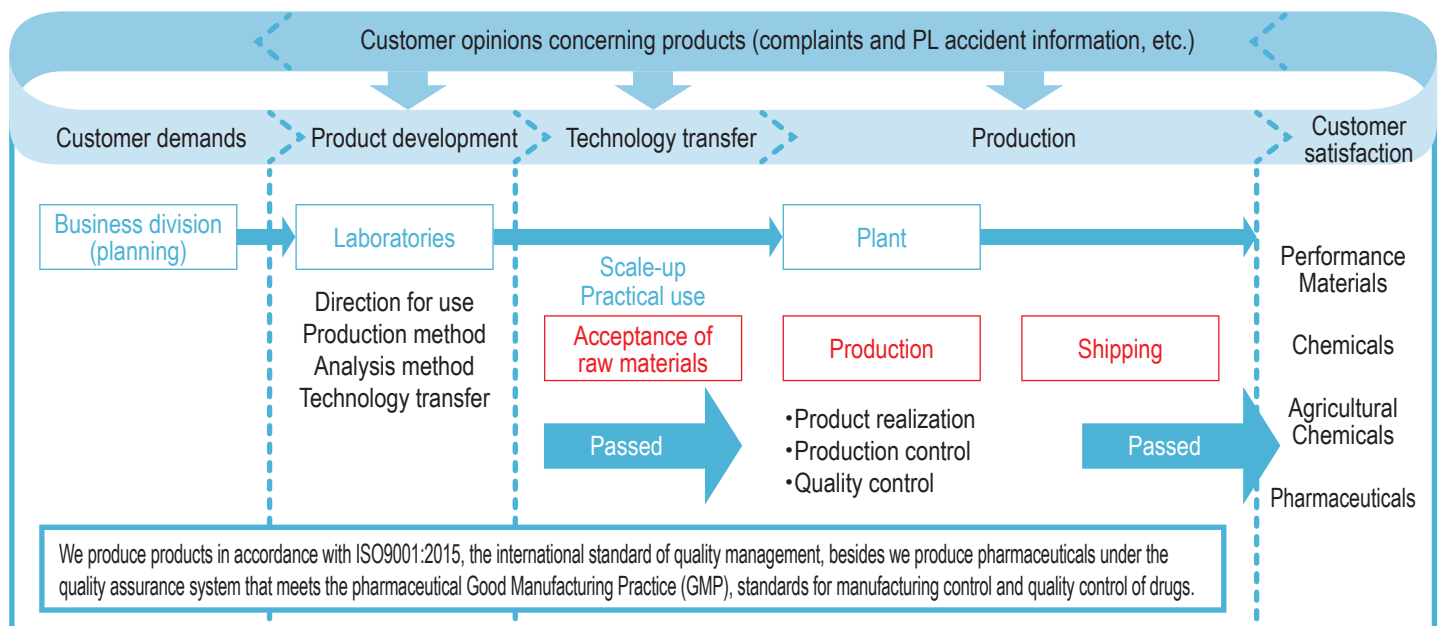
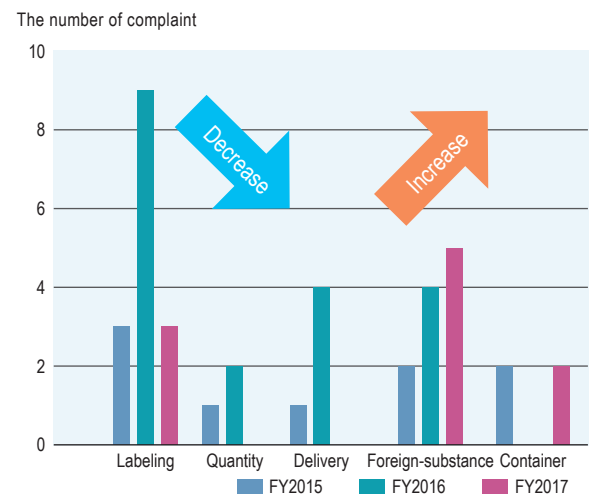
In addition, in order to implement preventive measures and continuously improve and maintain the system, we set out the "implementation of quality audits of the parent company and affiliated companies with an emphasis on prevention" as an action plan, and decided to give priority to the identification of potential risks in the shipping system.

<Intranet>

We have a corporate network that requires us to promptly collect customer opinions concerning products (including complaints and product liability accident information), evaluate them and take corrective action if necessary.

In FY2016, there was an increase in complaints regarding distributions, such as labeling, quantity, and delivery. In FY2017, the number of these complaints decreased due to the implementation of intensive auditing guidance for the process. This year, we decided to implement auditing guidance for foreign-substance, which has been increasing over the past three annuals, with a focus on the risk management system for foreign-substance contamination.

Moving forward, we will promote continuous improvements together with the plants to provide customers with safer, higher-quality products.



# Relationships with Business Partners

## Supply Chain Management

We have established a policy on the procurement of materials. We work on priority topics of CSR together with our business partners in our efforts to fulfill our corporate social responsibility.

Before outsourcing an operation such as the manufacture of important raw materials, intermediates and products, we ask the potential contractors to answer a questionnaire on CSR. We give priority to companies which fulfill our standards when selecting business partners. We revised the questionnaire in FY2017 to implement our procurement and purchase activity based on the purchase policy and to promote CSR activity in supply chain.

We also conduct on-site audits of suppliers in Japan and overseas to check their initiatives for CSR activities in detail, with a particular focus on their activities related to EHS in our efforts to promote supply chain management. In addition, we have made it our policy not to use conflict minerals and raw materials containing such minerals related to inhumane armed groups in the Democratic Republic of the Congo and surrounding countries.

### Main item in CSR questionnaire

Item	Content
1. Human Rights, Labor	Prohibition of forced or compulsory labor, Prohibition of child labor, Prohibition of inhumane treatment, Non-discrimination, Appropriate wages, Adequate hours of work, and Right to organize
2. Consideration for the Environment	Chemicals management, Resource and energy-saving, Reduction of GHG emissions, Reduction of waste, Biodiversity conservation, Water resources conservation, and Raw material procurement
3. Health and Safety	Health and safety at workplaces and facilities, Consideration for physically impact work, Occupational accidents response, Emergency response, and Health care
4. Ethic	Prohibition of corruption and bribery, Prohibition of abuse of dominant bargaining position, Prohibition of improper offering and receipt of profit, Prohibition of restrictive competition, Prohibition of insider trading, Elimination of antisocial forces, Consultation hotline, Privacy protection, and the Non-use of conflict minerals
5. Building of crisis management systems	Formulation of business continuity plans, Understanding of information on business partners and production bases, and Information security
6. Quality	Accurate information and Response to complaints

### Purchase Policy

We procure and purchase raw materials and materials in accordance with our Basic CSR Policy.

#### 1. Compliance with laws, regulations and social norms

We promote sound procurement and purchase activities by observing all relevant laws, regulations, social norms, and internal regulations, as well as corporate ethics.

#### 2. Fair, equitable, transparent trades

We continue to create opportunities for business with new suppliers, without adhering to past purchases or the corporate group, thereby ensuring fair, equitable, transparent trades.

#### 3. Procurement and purchase based on economic rationality

We undertake procurement and purchase that are optimal for us based on a comprehensive evaluation of quality, price, stable supply, technology development capabilities, stable management and other factors.

#### 4. Consideration for the global environment

To achieve a sustainable society, we strive to remain conscious of the protection of the global environment in our procurement and purchase activities.

#### 5. Establishment of partnership

Based on our fundamental recognition that all of our business partners are essential for executing businesses, we establish relationships of mutual trust with them in our efforts to achieve further development. We will also work on the following themes with our business partners in our efforts to fulfill our corporate social responsibility.

- 1) Compliance with laws, regulations, social norms and corporate ethics
- 2) Ensure safety and protecting the environment
- 3) Respect human rights and giving consideration to the work environment

# Relationships with Shareholders and Investors

We have formulated a Disclosure Policy and disclose information in accordance with the rules on timely disclosure established by the Tokyo Stock Exchange, Inc. on which our shares are listed. We also regularly report the opinions of shareholders and institutional investors, which are captured through dialogue, to the board meeting.

## Disclosure Policy (Excerpt)

### 1) Information Disclosure Standards

The Company will disclose its information in accordance with the “Financial Instruments and Exchange Act” and other laws and ordinances, and with the “Securities Listing Regulations”, and other rules concerned with timely disclosure established by Tokyo Stock Exchange, Inc. where the Company’s shares are listed (hereinafter the “Timely Disclosure Rules”).

In the case where there arises any matter with significant impact on securities investment decisions such as facts concerning decisions or occurrences, financial results and information on any subsidiary, where Tokyo Stock Exchange, Inc. makes an inquiry and requests disclosure of the fact concerned with the inquiry, or where any material content regarding the Company’s information already disclosed is changed, suspended or the like, the Company will disclose information in compliance with the Timely Disclosure Rules.

In addition, the Company endeavors to disclose company information other than that is required under the Timely Disclosure Rules (hereinafter “information subject to timely disclosure”), including materials presented in company briefing sessions, as positively and impartially as possible to meet investors’ requests.

### 2) Information Disclosure Methods

The Company will swiftly publish information that falls under the information subject to timely disclosure by means of the Timely Disclosure Network (TDnet) provided by Tokyo Stock Exchange, Inc., as well as on its own website. At the time of disclosing any information that is not subject to timely disclosure, the Company shall give consideration to transmission of the information to general investors in an appropriate, accurate and impartial manner in view of the objective of the Timely Disclosure Rules.

## Institutional Investors, Analysts and the Media

We hold a financial briefing meeting for institutional investors, analysts and the media every half year to explain the overall conditions of our business. This meeting is attended by the CFO / Officer in charge of Financial Department and the managers responsible for individual divisions. We also hold tours of our facilities for institutional investors and analysts as needed so that they can see our work sites in person and better understand our production and research. In addition, we participate every year in conferences in Japan and overseas hosted by securities companies.

## Overseas Investors

The CFO / Officer in charge of Financial Department participates every year in conferences hosted by securities companies or other entities that are held in the United States, Europe, Asia and other regions. At these conferences, the CFO provides explanations directly to overseas investors and exchanges opinions with them.

We publish news releases, business plans, presentation materials for full-year and first-half financial results briefing sessions in both Japanese and English at the same time, in principle, with the aim of disclosing information more promptly and fairly to investors in Japan and overseas.



▲ Financial results briefing meeting

## Private Investors

Once a year, we hold a briefing session for private investors, at which the CFO / Officer in charge of Financial Department provides explanations. We also hold a convivial party for shareholders after the end of each general shareholders’ meeting to promote constructive dialogues with the shareholders who participated in the meeting.

## Environmental Reporting Platform Development Pilot Project

As part of our efforts to disclose ESG information, which has been growing in demand from institutional investors in recent years, we have participated in the “Environmental Reporting Platform Development Pilot Project” established by the Ministry of the Environment.

## Relationships with Communities and Society

We recognize that creating a sustainable society is essential for the growth and development of the Company. As a corporate citizen, we engage in a range of social contribution activities in addition to providing products and services with new values that help enrich people's lives.

### Support for the Next Generation

We have been involved with the "Tobitate! (Leap for Tomorrow) Young Ambassador Program", a joint government-industry project for supporting students who wish to study overseas since FY2015. This program is aimed at fostering globally competitive individuals who will demonstrate their capabilities on the world stage in the future. Japanese companies make donations and regularly cooperate with student selection and other processes as judges to send high school and university students, who are the potential future leaders of Japan, to various parts of the world.

And we participated in the event, "Summer Riko-Challe" for the first time in 2017. This event cohosted by the Cabinet Office, the Ministry of Education, Culture, Sports, Science and Technology and Keidanren (the Japan Business Federation) is aimed at arousing interest in and promoting understanding of careers in the field of science and technology among female students. Thirteen female junior high school students from Saitama and other prefectures participated in the work experience at the Biological Research Laboratories and the exchange meeting with female researchers to deepen their interest in science and engineering.

In addition, we provide a various support activities for the next generation. Employees visited to elementary schools near the Chemical Research Laboratories and the Materials Research Laboratories for classes. At the Biological Science Laboratories, junior high school students had a work experience. Plants and laboratories accepted interns and dispatched part-time lectures.



▲ Internship at Sodegaura Plant

### Interaction with Local Residents

We hold plant tours and explanatory meetings on regular basis for local residents and schools. During these meetings we explain our initiatives for disaster prevention and environmental protection in an effort to show that the plants are safe and secure. We also participate in local beautification activities such as cleaning of public roads and nearby stations around the plants, and activities for planting flowers together with local residents.

#### TOPICS

#### Cherry blossom festival at Onoda Plant

Onoda Plant takes place a Cherry blossom festival every year to develop the deep and warm personal relationship with local residents. This festival marked the 27th on April 7, 2018 since Onoda Plant started the event in 1990. Everyone was able to feel a sense of unity with the enthusiasm of staff of Onoda Plant through a variety of hand-made programs. It blew out the cold though it was slightly chilly day.



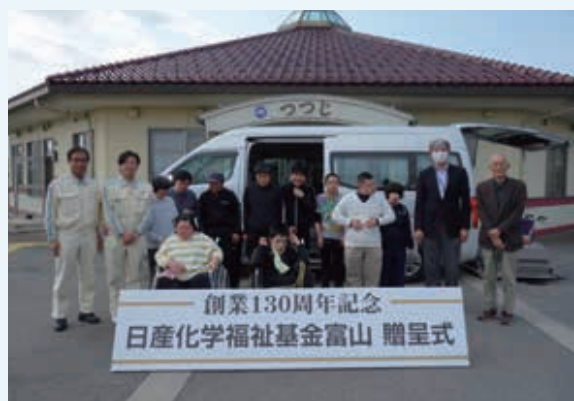
## Welfare Fund

We have been engaged in welfare fund activities since 1997 as a part of our activities for contributing to local communities. These activities are carried out at the head office and individual offices, plants, laboratories and group companies. They are also conducted as joint projects. In these activities, there are cases that staff members visit welfare facilities and ask them what items they need before considering what to donate. Overall, the activities are carried out in a community-based manner.

### TOPICS

#### Welfare Fund Activities (Extraordinary Contributions to Commemorate the 130th Anniversary)

FY2017 is the 20th anniversary of the Welfare Fund, the group made extraordinary contributions in three districts: Toyama, Sanyo Onoda (Yamaguchi Prefecture), and Saitama as one of the events commemorating the 130th anniversary of Nissan Chemical's foundation. We were able to donate expensive goods that were truly needed in the field of welfare and that were difficult to donate in ordinary years, such as welfare vehicles, to support facilities for the disabled and extraordinary nursing homes for the elderly.



▲ Presentation ceremony in the Toyama area



▲ Presentation ceremony in the Sanyo Onoda area



▲ Presentation ceremony in the Saitama area

## Industry Awards

To support the development of synthetic organic chemistry, we established the "Nissan Chemical Award for Novel Reaction & Method" in FY2009 as an award presented by the Society of Synthetic Organic Chemistry, Japan. This award is granted to researchers who have made creative, excellent achievements in research related to novel reactions and methods. The research undertaken by Professor Takanori Shibata of Waseda University, who was the FY2017 recipient of the award, provides new method for simple synthesis of a group of compounds which have high synthetic value-added asymmetric backbones with high atomic efficiency using a catalyst that can be easily prepared from commercially available iridium and rhodium complexes, and asymmetric ligands. This research has contributed greatly to the development of this field.

# Relationships with Employees

## Approach

In order to achieve "Progress2030" and "Vista2021," it is essential that each employee demonstrates his or her ability and revitalizes organization. To this end, we are implementing ranges of initiatives, including human resource development and the promotion of diversity. In addition, in order to create a comfortable workplace, we are promoting mental and other health initiatives. In February 2018, as in the last year, we received certification under the 2018 Certified Health and Productivity Management Organization Recognition Program (White 500)\*. We will continue to create an organization, system, and workplace environment that will enable employees to fully demonstrate their capabilities.

\*A program for recognizing "health and productivity management" initiatives with which employee health management is considered from the viewpoint of business administration and put into practice strategically.

## Personnel system

We aim to create an organization in which diverse human resources can work together and enjoy the challenge of innovation to realize corporate vision in 2030. To this end, we are promoting the following new measures while maintaining the current framework of our professional qualification system.

- Establishment of the "Ideal Human Resource Portfolio" and Human Resource Development Policy
- Introduction of career support programs that encourage individuals to take on "challenges"
- Development of human resources with management capability, business creativity and global competitiveness, and enhancement of measures to foster them at an early stage

## Fair Personnel Evaluation

We have positioned dialogue as a means of communication to overcome conflicts and cooperation by freely communicating with each other, and we are striving to improve the quality and speed of business through the management of objectives for each fiscal year.

In addition to this target management, our evaluation system is designed to enable employees to develop their strengths and demonstrate their personality through two-way communication between themselves and their superiors so that "self-independent individual" realizes how one wants it to be, thereby enabling them to work with enthusiasm while realizing growth. We are enhancing transparency and employees' satisfaction, and strive to fairly evaluate personnel according to results and contributions.

The final evaluation for each fiscal year is fed back by the Personnel Department to the department, the secondary evaluators, the primary evaluators, and the employees under the four objectives of 1) to motivate them to take on challenges, 2) to improve their satisfaction, 3) to foster a sense of human resource development among their superiors, and 4) to clarify their capabilities development goals.

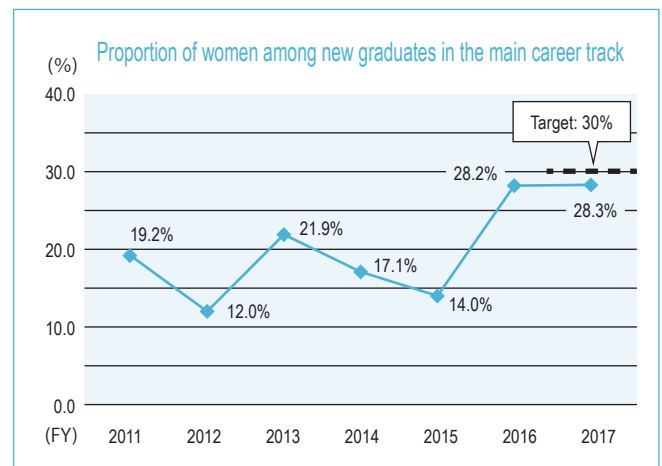
In the annual evaluator training, employees are trained in practical methods of evaluating, communicating, and putting those methods into practice, with the objectives of 1) understanding the role and significance of the evaluation in the personnel system, and 2) creating a system in which the evaluation is appropriately operated as the cornerstone of human resource development, while keeping in mind the basics of evaluations that should be learned by evaluators.

## Respect for Diversity, Personal Characteristics and Ways of Thinking of Individuals

At Nissan Chemical, a diverse range of individuals have been actively contributing to the group with their excellent talents in a wide range of fields irrespective of the age, gender and nationality and we will continue to promote respect for diversity. One thing that we are proud of is our high employee retention rate, such as 15.9-year of the average length of service, it makes us believe that our workplace environment allows each individual employee to play an active part.

### Action Plan for Promoting Active Participation of Women in the Workplace (Excerpt)

- Period of the plan : Five years from April 1, 2016 to March 31, 2021
- Target : Increase the proportion of women among employees in the main career track to 10% or higher
- Actions to take
  1. Increase the proportion of women among new graduates in the main career track to 30% or higher
  2. Assign women proactively to departments with low rates of female employees in the main career track

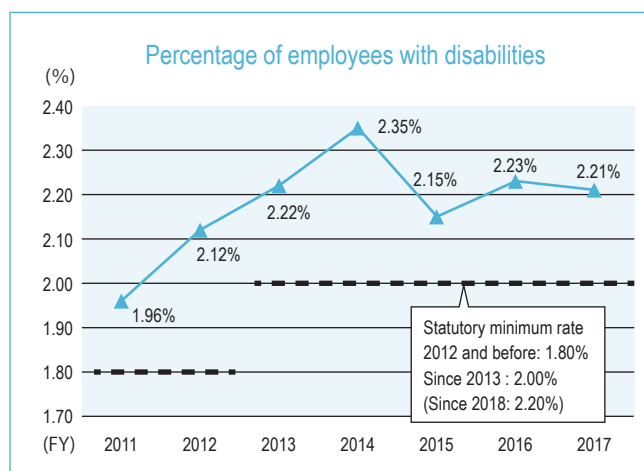


## Activities for Recruiting Foreign Students

We recruit foreign students as a measure for developing globally competitive human resources. As a result, three foreign people joined in April 2018. Moving forward, we will continue to promote the diversity of our human resources by employing foreign students continuously and create an organization that will allow diverse human resources to demonstrate their capabilities.

## Employment of People with Disabilities

For more than ten years, we have kept the percentage of employees with disabilities at a level above the statutory minimum rate. We will continue to observe the legal requirements and remain proactive in providing workplaces that enable the active participation of people with disabilities.



## Training and Capability Development

We believe it is essential for human resource development that "each employee should continue to educate themselves voluntarily in their efforts to develop themselves". We have therefore introduced various human resource development programs for our employees who aspire to learn new things and develop themselves.

### Educational Training System

	Developing leadership			Improving research and development capabilities and production technology capabilities	Developing a cosmopolitan way of thinking	Support for career development	Cultural education
	Managerial position / C class	A class	Common				
Managerial positions			Evaluator training	Managerial position / C class	Managerial position / C class	Common	Common
Non-managerial positions	<ul style="list-style-type: none"> <li>Training before promotion to managerial position</li> <li>Training before promotion to C3 class</li> <li>Third year self-start training</li> <li>Second year self-start training</li> <li>New employee self-start training</li> </ul>	<ul style="list-style-type: none"> <li>Training for improving on-site capabilities</li> <li>Training before promotion to A3 class</li> <li>Business improvement training</li> <li>New employee training</li> </ul>		<ul style="list-style-type: none"> <li>Internal research exchange meeting</li> <li>Participation in academic meetings</li> <li>Dispatch to external research institutions</li> <li>R&amp;D strategic planning training</li> <li>Theme proposal system</li> <li>Strategic OJT</li> <li>Production technology presentation</li> </ul>	<ul style="list-style-type: none"> <li>Domestic and overseas study programs</li> <li>Cross-cultural communication training (Overseas language program, English conversation training, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Dispatch to external classes for acquiring specialized knowledge</li> <li>Acquisition of qualifications</li> <li>Correspondence course</li> </ul>	<ul style="list-style-type: none"> <li>Training on health management / promotion</li> <li>Compliance training</li> <li>CSR training</li> </ul>

### List of training programs (implemented in FY2017)

Name	Content	Number of trainees	Period
New employee training	Improvement of communication skills / Career training	39	21days
New employee follow up training	Improvement of communication skills / Cultivation of stress management skills	39	2days
Second year self-start training	Presentation of assigned research papers	43	1day
Third year self-start training	Presentation of assigned research papers	37	1day
C2 kick-off training	Development of junior leadership / Career education	37	2days
Training before promotion to C3 class / Managerial position	Developing the capability of setting essential challenges and the capability of formulating strategies	37	6days
Training before promotion to A3 class	Development of leadership	20	4days
Evaluator training	Improvement of evaluation skills	30	1day
Domestic and overseas study program	Development of next-generation leaders	5	
Overseas language study program	Development of globally competitive human resources	7	90days
E-mail writing training	Improvement of skills in writing e-mail in English	67	1day
Strategic OJT	Improvement of capability of developing human resources	18	
Correspondence course	Improvement of business execution capability	602 cases	



## Awards Program

Every year we grant awards to employees who have made beneficial inventions, devised improvement measures, or made remarkable achievements and contributions. Regarding intellectual properties, we also reward excellent inventions selected from among patent-pending inventions at an early stage in an effort to create greater incentive for R&D, discover excellent inventions and improve upon their quality and creativity.

### FY2017 Award (Award-winning projects: FY2016)

Name	Presenter	Content	Number of awards	Number of rewarded
Central Awards	President and CEO	Commend employees who have made beneficial inventions, devised improvement measures, or made remarkable achievements and contributions.	1	5
Division Awards	Head of each division		2	19
Office Awards	Head of each office		3	18
Rewards for Excellent Inventions	Officer in charge of Intellectual Property Department	Reward excellent inventions at an early stage to promote the improvement of R&D capabilities. Rank S rewards are granted to more excellent inventions.	18 (Rank S: 3 inventions)	58



▲ Central Awards presentation ceremony

## Creation of a Comfortable Workplace

We have introduced a wide variety of programs and measures that enable employees to work in a highly productive manner and achieve a good work-life balance. In addition to maintaining the high rate of employees taking annual leave of 70% or more in recent years, we are also aiming to support more efficient ways of working and taking time off. For example, we have decided to implement a new hourly leave system by the end of FY2018.

### Systems for Promoting a Good Work-Life balance

Name	Content
Flextime	This system has been introduced at the head office and laboratories.
Childcare Leave	In the case that certain requirements are fulfilled, an employee may take childcare leave until his or her child is two years old or until the coming April 20 after the child's first birthday.
Paternity Leave	A male employee whose spouse gave birth to a child may take up to seven days of paternity leave (paid) within eight weeks of the child's birth.
Nursing Care Leave	An employee may use up to 20 days per year of annual leave which has been saved up for childcare or spousal care and which is no longer valid.
Shorter Working Hours	Specified working hours may be shortened by units of 30 minutes and by up to 120 minutes for looking after children in third grade (elementary school) or younger.
Half-day Leave	An employee may take annual leave by units of half days, with an upper limit of 30 times per year.
Planned Leave	We recommended 2days of company-wide planned leave and 3days of individual planned leave annually.
Hourly Annual Leave (introduced in November 2018)	An employee may take hourly annual leave up to 24 hours.
Annual Leave Accumulation	An employee may save up a maximum of 40 days of annual leave that are invalid and use them as medical leave, leave for their own sickness, to look after elderly or sick family members or for other similar purposes.
Refreshment Leave	An employee may take ten consecutive days of leave (paid) after becoming 50 years old. Financial aid is also granted.
Re-employment Refreshment Leave	An employee may take three consecutive days of leave (paid) before or after their mandatory retirement.
Overseas Business Trip Special Leave	An employee who travel long hours and return to work on Sunday will be granted 1 day leave (paid).
Family Care Leave	In the case that certain requirements are fulfilled, an employee may take up to 365 days of family care leave in total per family member needing care.

### Support Raising Next-Generation Children

Based on the "Act on Advancement of Measures to Support Raising Next-Generation Children", we are working to improve the employment environment and diverse labor conditions so that employees can fully demonstrate their capabilities while balancing childcare and work. We also encourage male employees to participate in childcare by providing paid paternity leave. In recognition of these initiatives, we were granted Next Generation Accreditation Mark (as known as Kurumin) by the Tokyo Labour Bureau of the Ministry of Health, Labour and Welfare, as a company who supports childcare well.



### Promotion of Appropriate Work Hours

- Workshop for work hours: We held workshops to learn about the basics of working hours at meetings of personnel managers and labor union training sessions.
- Introduction of new system for work management: We have introduced a new system that enables timely monitoring and visualization of working hours and remaining annual leave.

## Countermeasures against Harassment

### Countermeasures against harassment related to pregnancy, childbirth, childcare leave, family care leave, etc., sexual harassment and power harassment

- Three types of harassment are subject to disciplinary action in our rule of employment.
- We post explanatory materials and consultation services on our intranet to enable employees to access and consult with us at any time.
- Since 2013, we have introduced training for obtaining basic knowledge on power harassment as part of the training before promotion to A3 class (positions equivalent to team leaders at plant). More than 100 employees have undergone this training.

## Health

We have promoted mental and physical health initiatives based on the belief that employees' health is a "foundation that supports sound corporate growth". In 2018, we have established a Basic Health Policy with the aim of maintaining and improving the health of our employees.

Concretely, we are implementing measures for lifestyle-related diseases, mental health care, and quitting smoking to promote the health of our employees in cooperation with the health insurance association.

### Basic Health Policy

Mental and physical health is a foundation that supports sound corporate growth from the viewpoint of the happiness of employees and their families, as well as the trust of the corporate and the smooth operation of the business. We and our employees will work together to promote initiatives aimed at maintaining and promoting health in a multifaceted manner and aim to be a dynamic company.

1. Employees' health is based on their own management and we will provide support.
2. We will implement effective and flexible measures through smooth internal and external cooperation.
3. We will ensure the proper use and management of personal information and comply with laws and regulations.

### 2018 Certified Health and Productivity Management Organization Recognition Program (White 500)

- In February 2018, we have been recognized under the 2018 Certified Health and Productivity Management Organization Recognition Program (White 500) for two consecutive years.



### Health Promotion Committee

- The members of this committee are selected from the Company, the Nissan Chemical Health Insurance Association, and the Nissan Chemical Labor Union, two from each, and meet regularly to discuss health promotion measures. The committee met four times in FY2017.

### Regular Health Checkup

- We encourage employees to undergo regular health checkups by targeting a rate of 100%. We achieved the target rate of 100%\*1 in FY2017.

\*1 Employees on temporary retirement, etc. are excluded.

### Prevention of Severe Disease

- We are reinforcing guidance for the preparatory group for diabetes and specific health guidance in cooperation with Nissan Chemical Health Insurance Association.

### Mental Health Measures

- We carry out stress check, analyze its results and give feedback to employees. We also conduct training as necessary based on the results.
- Implementation of stress check: undergone by 100% of all employee
- Organizational analysis of stress check and reporting session: A total twelve reporting sessions were held for executives at the head office, laboratories and plants. The analysis and holding of reporting sessions were outsourced to an external specialty company.
- Training: self-care training was provided four times to new employees and those who had never undergone the training.\*2

\*2 Care that can be provided to oneself. It includes being aware of one's own stress and preventing or coping with stress.

## Labor-Management Relationship Based on Open Dialogue and Mutual Understanding

Nissan Chemical and the Nissan Chemical Labor Union have built a good relationship based on mutual understanding and trust. They strive to improve labor conditions and develop systems through discussions as good partners to the management by taking a range of measures, including holding periodic meetings for reporting business results and initiatives for better work-life balance.

All non-managerial employees, excluding those who have concluded a special agreement with the Company, belong to the Nissan Chemical Labor Union. The number of its member is 1,465 (including those from some affiliates).

Name of the meeting	Content	Number of meetings held in FY2017	Number of participants per meeting
Central Management Advisory Council	The policies and financial results of the Company are explained by the management to the labor union members.	2	Company: 6 Labor union: 7
Business Location Management Advisory Council	1) Explanation of the contents of the Central Management Advisory Council 2) Discussions about problems that are specific to each business location	Differs among business locations	Executives of the business location Executives of the labor union branch
Dialogue activities	Management and general union members set opportunities to have open dialogues. Union members can discuss issues and problems of their own workplaces directly with the management.	3	Company: 3 Labor union: slightly more than 10
Labor-Management Committee	The Personnel Department and executive members of the labor union regularly exchange opinions about a wide range of problems and hold discussions to solve issues.	9	Company: 3 Labor union: 7
Health Promotion Committee	Two each are selected from the Company, the health insurance association, and the labor union as its members, who discuss measures for promoting good health among employees and other issues.	4	Company: 2 Health insurance union: 2 Labor union: 2