

Maintaining Workplaces that Motivate Employees

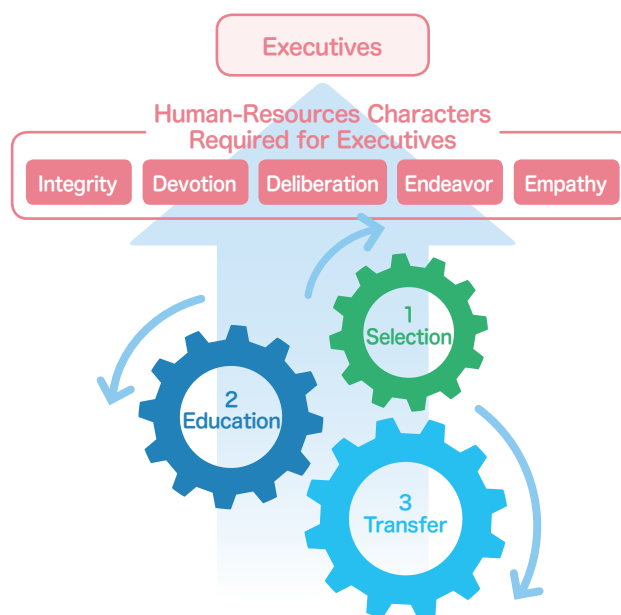
The Group aims to be a place where employees can feel truly happy and fulfilled through such initiatives as promoting human-resource management and work-style reform.

Promoting human-resource management

Developing the Next-Generation Executives

The “NH Foods Group Fundamental Policy on Corporate Governance” specifies the Company’s Plan for the Development of the Next-Generation Executives, with the aim of continuously enhancing our corporate value. In this development plan, we define five requirements of the “Human-Resources Characters Required for Executives” (Integrity, Devotion, Deliberation, Endeavor, and Empathy) as well as making it clear the index for the assessment and development. We also assist in self-understanding and growth by providing executive officers with a program for analyzing behavioral characteristics of management.

STRATEGICALLY DEVELOPING THE NEXT-GENERATION EXECUTIVES THROUGH A CYCLE OF SELECTION, EDUCATION, AND TRANSFER



Ideal Human Resources Sought by NH Foods Group

The Group defines the requirements of “ideal human resources sought by the NH Foods Group,” symbolized by the phrases “Absolute Reliability,” “Novel Creativity,” and “Endless Challenges” as the ideal forms for employees. Placing the “ideal human resources sought by the NH Foods Group” at the root of

its human-resource management (hiring, education and development, evaluation and treatment, and transfer and assignment), the Group promotes strategic development and utilization of human resources.

Human Resource Development and Training System

The Group’s training system can be divided roughly into four categories: promotion program, rank-based training, screening-type training, and career development training. Many of these, such as rank-based training and part of the promotion program, are conducted jointly by the Group. In particular, the goal of screening-type training is to develop the next generation

executives, and as such, we hold it annually for candidates selected by each Group company.

Career development training is conducted jointly by the Group regarding the career path upon reaching the employees’ 30th and 40th birthdays. We will provide a vibrant workplace for our employees by enhancing initiatives that support their career autonomy.

Promoting workstyle reform

Establishing Comprehensive Working Conditions in All Group Companies

The Group identifies improvement of comprehensive working conditions and creation of an employee-friendly workplace as key issues common to all Group companies. By advancing the establishment of our human-resource treatment programs, we aim to be a corporate group selected by society as a whole. We are revising our wage structure to establish competitive levels based on the industrial fields, locations, and sizes of

each Group company, aimed at securing employees and employee retention.

We are also advancing initiatives to reduce working hours both in terms of prescribed working hours and overtime. Additionally, we are working to reduce total working hours and improve productivity by streamlining operations and encouraging employees to take annual paid vacation.

Diversity

In fiscal 2019, the Group officially introduced telework and flex-time for childcare and nursing care needs, aimed at promoting flexible work styles, including enabling employees to balance work with childcare and nursing care.

We promote the active participation of women, and aim to have women hold 12% of leadership positions by fiscal 2020. We also have initiatives to get men involved in housework and

childcare, including guidebooks for dads and their bosses, and awareness-raising posters. NH Foods and eight other Group companies have received the *Kurumin** certification, and one company has received *Platinum Kurumin* certification.

* A program by the Japanese Ministry of Health, Labour and Welfare that certifies companies that support child raising. To be certified, the results of the company's action plan, based on the Act on Advancement of Measures to Support Raising Next-Generation Children, must meet specified requirements.

USAGE OF CHILD AND NURSING CARE-RELATED SYSTEMS (NH FOODS LTD.)

Items	Details	FY2015	FY2016	FY2017	FY2018
Before and After Childbirth Leave (number of leave takers)	An employee giving birth can take the leave six weeks before giving birth (or 14 weeks for a multiple pregnancy) and eight weeks after giving birth	26	26	40	30
Spousal Childbirth Leave (number of leave takers)	For a period from one week before the expected delivery date of an employees' spouse and two weeks after giving birth, an employee may take three days of leave (paid leave)	41	28	52	27
Childcare Leave		52	63	76	70
Male	Until the child of an employee reaches the age of one year * This can be extended until the age of three if the child is unable to enter a nursery.	5	5	8	4
Female		47	58	68	66
Rate of Employees Returning to Work (%)	(Number of employees returning from childcare leave) / (Number of employees expected to return from childcare leave) x 100	95.5	91.3	97.0	97.1
Shortened Working Hours for Childcare (number of users)	Until an employee's child finishes the sixth year of elementary school, the employee's scheduled working hours in a day may be shorted by up to two hours	61	59	64	91
Nursing Leave (number of leave takers)	When the child of an employee up to the sixth year of elementary school requires nursing, up to 12 days of leave per year can be taken (paid leave)	39	58	59	118

Health Management and Occupational Health and Safety

The Group positions employee health as an important foundation of management, and we strive to build our health management system and create a healthy workplace. We are working to build a health management system for the Group as a whole, including the assignment of industrial health staff, appointment of appropriate industrial physicians and commissioned doctors, and creation of health management offices at each Group company, as well as holding health and food education seminars and health exercise seminars and prohibiting smoking during prescribed working hours, aimed at promoting employee health.

At our manufacturing plants, we have also introduced an occupational health and safety management system, and taken measures through risk assessments of manufacturing machinery likely to cause serious accidents.

OHSAS 18001* CERTIFICATION STATUS (as of April 1, 2019)



* OHSAS 18001 are international standards for occupational health and safety management aimed at managing and improving the health and safety of employees.