

List of compatibility support systems
(enforcement year)

- Maternity leave for spouse (before 1980)
- Implementation of flextime system (1990)
- Regulations regarding family care leave (1990)
- Happy holiday leave (1991)
- Regulations regarding childcare leave (1992)
- Regulations regarding measures for maternity health management (1998)
- System for paid half days off (2000)
- Family support holiday leave (2005)
- Sick/injured child care leave (2005)
- Regulations regarding childcare leave amended (leave period extension) (2005)
- System of reduced work hours for childcare (2008)
- Family care leave (2010)

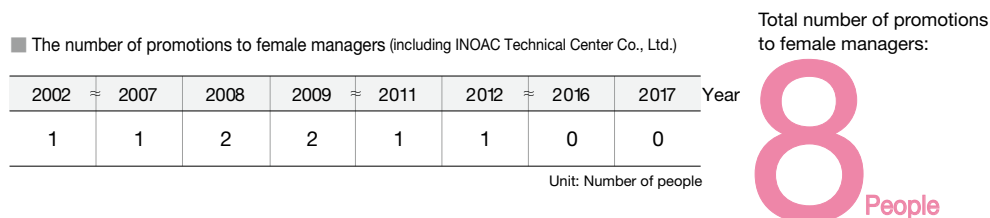
While people clamor for work-style reform these days, the obligation of taking at least 5 days of annual paid vacation in a year seems to be legislated.

Considering this movement, we encourage our employees, including managers, to plan on and take at least 5 days of annual paid vacation from FY 2017.



Promoting female employees

INOAC positively uses female employees and creates an environment where female employees can contribute to the company, fully demonstrating their skills and knowledge for their work after we bring out their potential. We hold a Seminar for promoting women's success at work every year for female candidates for management positions to encourage female employee thinking and career enhancement. We also hold a Seminar of promoting women's success at work every year for male candidates for management positions to make a system by which we can support female employee success.



Work regarding enforcement of the Law on Promoting Women in the Workplace

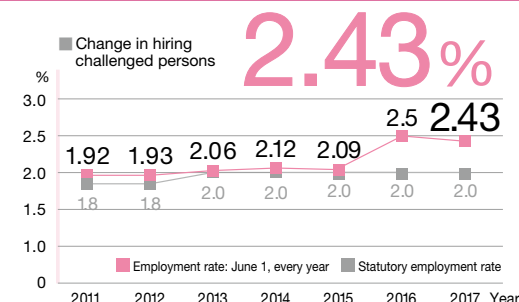
In connection with enforcing the Law on Promoting Women in the Workplace in April 2016, we work on promoting women's success at work with the three goals below to encourage them to demonstrate their potential and develop their careers in many divisions for the five years from April 1, 2016 to March 31, 2021.

Goal

- 1 To raise the proportion of female subsection chiefs to that of male subsection chiefs, we work to promote 10% of female candidates to subsection chief in this term.
- 2 To find more female candidates for management positions, we will increase the proportion of female participants to 10% in the training courses for the mid-grade employees or for subsection chiefs.
- 3 We will make the usage rate of managers' annual paid vacation equal to the rate of general employees'.

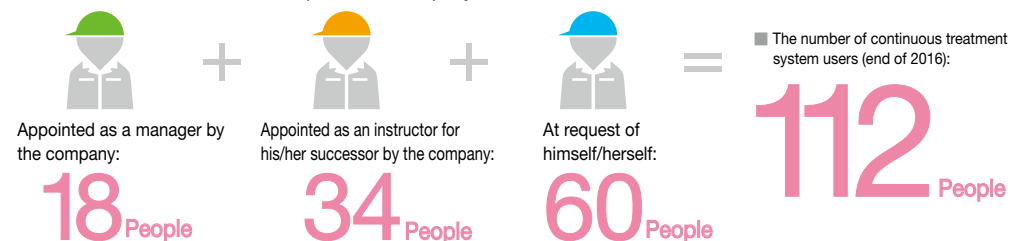
Employment of challenged persons

In order to realize a society where everyone's possibility is broadened, we hire challenged persons. Attentiveness to other people is created in employee minds and consciousness and is enhanced by hiring challenged persons.



User of continuous treatment system

Since January 2015, we have been working to create an environment in which senior citizens can continue their careers with us. We are increasing wages, working positively for them to continue as effective and responsible employees.



Welcoming international

We move international employees working at overseas local subsidiaries to the mother plant in Japan, and welcome them as trainees to improve their techniques and skills for human resource development. By bringing back and utilizing their knowledge and experiences learned in Japan, localization is facilitated and globalized know-how is handed down. We also welcome technical interns from overseas local subsidiaries. They can contribute to work site improvement after returning to their own countries through operations at specific production sites for a certain period of time in Japan. We hope that they will have self-awareness as members of our group and be fans of INOAC through such experiences.

Employee education

The Global HR & General Affairs Division plans and executes the Employee Education that enhances the ability of and provides a place for development for the employees of the INOAC Group. Regarding employee education, a yearly schedule is drawn up every year and uploaded on the company's message board; then all employees can read it at any time. Study and training that employees would like to take and supervisors would like their supervisees to take can be drawn up all year round.

Stratified education

Both the Humanity Education that provides training that enhances personal attractiveness, common grounds as working adults and strength in character as well as the Capability Education that provides competence and proficiency expected in the jobs are offered. Milestone Education is provided for each job title including managers, newly appointed key positions, subsection chiefs, group leaders and other mainstay backbone jobs when they start the position. Employees of the same rank from all over the country gather together for their Milestone Education to work on common tasks to make networks through training and lodging together.

Sectional Specialty Education

The Sectional Specialty Education provides the basic knowledge, domain knowledge and specific skills required for each specialty. The educational curriculum has been built to reflect the need for education from each division of the Group.

Sales Division: Trainings that enhances the sales skills at the beginner, middle and expert levels.

Engineering Division: Trainings that improves the presentation and communication skills of the backbone mainstay level employees.



Global HR Development

The INOAC Group deploys its factories and offices globally in more than 50 locations. In order to develop the human capital that is ready for progress in globalization, INOAC stresses its Global HR Development activities. The Global Mindset Seminars try to improve the global sense of employees by exposing them to first-hand experiences outside Japan through Overseas Study Trips and Short Term Overseas Business Trips beginning from their junior years. Candidates for being stationed in overseas offices or factories are systematically trained through the Pre-Overseas Post Training with multiple courses including experience from ex-expatriates before actually being sent to overseas business locations.

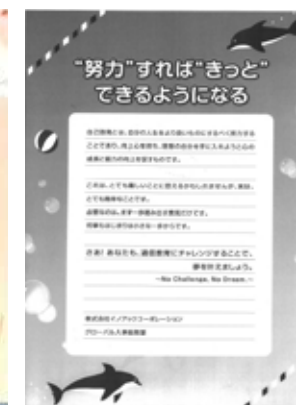
Harassment prevention

INOAC implements the following measures against harassment in the company.

- 1 Declaration and publication of company policy**
INOAC declares the company policy concerning harassment including sexual and power harassment.
- 2 Establishment of consultation desk**
The consultation desk to address harassment in the workplace is established in the personnel and general affairs divisions in each area on a nationwide scale. Consultation desks for women and consultation desks at the labor union side are also established.
- 3 In-house research on actual conditions**
The Power Harassment Questionnaire is administered annually to all employees to try to understand the actual conditions.
- 4 Harassment education**
All the managers in INOAC are required to attend the Harassment Lecture.

Personal development

The Distance Learning Program supports employees who wish to work on their personal development. After the completion of this program, the company refunds applicable employees with half the cost of the distance learning. Each year, copies of a Distance Learning Guidebook that includes more than 100 courses are distributed to employees. About 100 employees take advantage of this program every year.



Safety and health/Disaster prevention

Principles and basic policy for safety

- ① Safety is the basis of the very existence of the Company.
- ② All accidents and hazards are preventable.
- ③ Safety is achieved through the awareness and responsible action of each employee.

Based on the safety policy above, safety being prioritized over everything else is demonstrated and the practice of stop, call, and wait after risk prediction is being followed. With an annual activity plan defined incorporating activities of the Ministry of Health, Welfare and Labour as well as monthly focus topics learned from past incidents, the safety and health management practice is further enhanced through repeated education/training as well as improvements in weak spots discovered by safety and health evaluations.

Safety Practitioners Conference

1. Summary from the 2017 Conference
 - ① Reports from disaster prevention activities
 - ② Statistics and analysis of hazards in the INOAC Group
 - ③ Notices and changes in the Safety and Health Act
2. As education and awareness raising to prevent occupational accidents
 - ① Work hazard prevention
 - Kyushu and Tohoku (via TV)
 - Grabbing Karuta (Japanese traditional playing cards) on which slogans related to safety and health are written
3. Policy for FY 2018
 - ① Explanation of activities of safety, health and disaster prevention in FY 2018
 - ② Proposal from the Work Union



Safety Conference

Whole-Company Safety Committee Meeting

As the safety activities lead by the top management and participated in by the whole company...

- ◎ Central Safety and Health Committee: Held four times a year
- ◎ Field inspection by officers: Twice per year
- ◎ Safety Practitioners Conference: Six times per year
- ◎ Safety and Health Committee at each location: Monthly

Through these activities, INOAC enhances the company-wide awareness of safety, health and hazard prevention and builds an organization culture for preventing hazards from occurring in the future.



Field safety inspection by top management

Developing safety-conscious workers with the Safety Dojo (Safety Gym)

The Safety Dojo lets employees experience work hazards in safe settings using 15 simulators that enable the employees to see, hear and feel the hazards. The experience helps build a workplace capable of achieving the zero-hazard standard by enabling the employees to become more sensitive to potential hazards, able to predict them and ensure safe work practices.



Safety dojo

Activities toward enhancing employee health

Each manager is responsible for leading the effort by showing examples to improve the knowledge and skill.

- ◎ Consultation for mental health and harassment
- ◎ Outdoor smoking space to separate smoking
- ◎ Reduction in road surface temperature as an environmental measure
- ◎ Study and lead sessions by industrial physicians and the health insurance association
- ◎ Preventive measures against heatstroke



Heat insulating pavement
(reducing road surface temperature
by reflecting infrared rays)

Hazard prevention activities

Acting under the Crisis Management Protocol helps minimize damage by natural and other disasters and ensures early restoration

1. Large earthquakes
 - ◎ Alleviation of earthquake damage to buildings and facilities
 - ◎ Safety and disaster prevention equipment and stockpiles for earthquakes
 - ◎ Responses after earthquakes
 - ◎ Stockpile of mattresses to contribute to the community
2. Measures against fires, storms, and floods
 - ◎ Prevention of fires and explosions in manufacturing facilities
 - ◎ Preparations for and establishment of structures against storm and flood damage
 - ◎ Introduction of W-info, a weather information distribution system



Introduction of W-info