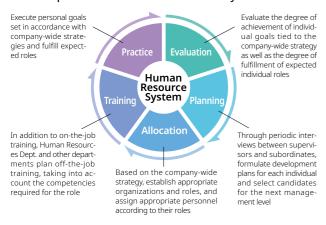
To foster a culture that enables employees to demonstrate their potential and maximize results for the entire company, we are working to create systems that encourage employees to take on challenges and promote diversity.

Human Resource Development

Human Resource System That Encourages Employees to Be Proactive about Taking on Challenges

As a foundation to support these challenges, we have implemented a human resource system whereby every employee is made aware of well-defined roles and goals, is properly evaluated, and is able to take on professional challenges with a sense of fulfillment.

Five Components of the Human Resource System



Human Resource Management Promotion System

N.E. CHEMCAT formulates and implements various human resource policies based on the human resource strategy in its medium-term management plan.

Personnel evaluations and changes in role grades, personnel transfers and annual hiring plans, succession plans for key posts, and the selection of candidates for the next management level are discussed by the Personnel Committee, which is chaired by the president. This ensures a medium- to long-term perspective in the management of human resources.

Human Resource Development

Our human resource development is mainly based on on-thejob training, which involves communication with supervisors and senior employees in daily work as well as guidance and advice provided via regular interviews.

We also provide training for new employees and coaching training, as well as off-the-job training for each employee grade. The goal is to help them acquire the skills required to fulfill their roles and to develop and improve their competencies.

N.E. CHEMCAT actively supports independent learning for each employee, including support for obtaining a doctoral degree and English language training, and e-learning courses that can be selected at will by interested employees.

Human Resource Development System

			OFF-JT												Self-development support												
		OJT		Position-based tra				aining			Knowledge & skills training					Selected training (training for potential managers)		Function-specific training (conducted									
				- Control Basea training						and the second s					5			by each organization category)		Dispatch to outside the company		Individual learning					
Officers				Off-site meetings																							
Managers	M3	sors			-site i			STL.		recious					Senior Pip Senior management												
	M2	ith supervi									nagement, pi	assment)	8	gnment		Practical placement and guidance	program program				yree or higher					s, PC, etc.)	
	M1	neetings w				Middle management program New manager training	g training	Coaching training Evaluator training	y training and		on, anger ma	ın rights, hara	, nursing can	, nursing car /erseas ass	ing	Practical	C) activitie	activities	perations s)	with bachelor's de				ce courses	ent, language		
Employees	S4	Assignments/guidance through regular meetings with supervisors			employees	New supervisor training	Coaching	Coachir	Mid-career employee training *Introductory training and tours of plants	ompany	Basic skills training (logical thinking, facilitation, anger management, precious metals management, etc.)	Compliance training (legal compliance, human rights, harassment)	Diversity training (life planning, career design, nursing care)	Pre-assignment training for overseas assignment	Pre-assignment training for overs Performance improvement support training			Education related to Responsible Care (RC) activities	Lean Six Sigma (LSS) activities	Training necessary for the execution of operations (in-house training, dispatch to external seminars)	Support for obtaining a doctoral degree *employees with bachelor's degree or higher			lifications	Support for taking various correspondence courses	Provision of e-learning (management, technical skills, health management, languages, PC, etc.) Support for online Endlish training	ת
	S3	ance throug	ployees		English training for new employees	Followership			ee training	tside the c		g (legal com						o Respons		for the exe	doctoral deg	bachelor's m the	Dispatch of external seminars	Support for acquisition of qualifications	various co	Provision of e-learning (management, technical skills, health man Support for online English training	
	S2	nents/guida	Training for new employees	Instructor system	English tra	training			eer employ	English training outside the company Basic skills training (logical thinking, facili	ills training anagement, e	nce trainin	y training (Pre-assi	ance impre			on related t	Training related to	necessary training, dis	or obtaining a	Support for obtaining a bachelor's degree (liberal arts) from the Open University of Japan	of externa	for acquis	for taking	n of e-learr nent, technic for online	5
	S1	Assignm	Training	Instruct					Mid-car		Basic sk metals m	Complia	Diversit		Perform			Education	Training	Training (in-house	Support fi	Support for degree (III Open Univ	Dispatch	Support	Support	Provisio (manager Support) 1

Promoting Diverse Work Styles

Flexible Work Styles

N.E. CHEMCAT operates systems that allows employees to work flexibly. Such systems include the flex systems and the telecommuting system.

We also strive to maintain a balance between work and life through appropriate management aimed at preventing long working hours and encouraging employees to take annual paid leave.

Support Systems for Childcare, Elderly Care, Nursing, Etc.

In order to support employees who are giving birth, raising children, or caring for the elderly, we have introduced various support systems that go above and beyond legal standards. In FY2023, the percentage of women taking childcare leave reached 100%, and that percentage for men hit 70%, indicating that the practice of men taking childcare leave has gained more acceptance in the workplace.

Childcare Leave	Extension to 2 years old is possible depending on the situation of the childcare center. *The rate of employees who have returned to work after taking childcare leave is 100%.					
Shortened Work Hours for Childcare	Available until the child graduates from elementary school					
Nursing Care Leave	Can be taken up to three times for a period of up to 93 days for a family member in need of nursing care					
Family Support Leave	Available for up to 40 days per year for nursing care of family members who are injured or ill or in need of nursing care *Can be taken even if not in need of nursing care					
Job Return System	Employees who have left the company due to marriage, childbirth, childcare, nursing care, or a spouse's transfer are eligible to return to work if they so desire.					

Creating a Positive Workplace That Is Easy to Work in

Along with working to create a system to appropriately manage work hours, we are striving to improve the work environment based on the results of stress checks and feedback from our labor union.

We also provide insurance coverage for illness and injury and a group life insurance program so our employees can work with peace of mind.

Diversity and Inclusion

Believing that acceptance of diversity leads to the creation of innovation and enhancement of corporate value, the company is working to create a work environment in which the individuality of employees and the abilities of diverse human resources can be fully realized.

The percentage of mid-career hires in FY2023 was 70.4%. Additionally, the disabled employment rate was 2.6%, which exceeds the statutory minimum.

Women in Management Positions

N.E. CHEMCAT has approximately 650 employees, of which 11.3% are women, and the percentage of women in management positions stood at 5.0% in FY2023.

				(%)
	FY2020	FY2021	FY2022	FY2023
Percentage of regular employees who are women	10.9	10.8	11.0	11.3
Percentage of women in management positions	4.6	4.3	4.9	5.0

General Business Owner Action Plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children

At N.E. CHEMCAT, we aim to create an employment environment in which employees can balance work and parenting, achieving a fulfilling work-life balance while also exercising their capabilities. To this end, we have set the following goals and are working to achieve them.

- 1. Create a culture where it is easy to take childcare leave
- (1) We post the following information on the company intranet to foster a corporate culture that makes it easy for employees to take childcare leave.
- Information on childcare leave, childcare leave benefits, and other systems
- Cases of people taking childcare leave and the rate at which they take childcare leave
- Information about the consultation service for childcare and family care leave
- (2) Provide employees with training at least once a year on the importance of the childcare leave system, details about the system, how to apply, etc.
- 2. Implement measures to encourage employees to take paid annual leave
 - Encourage employees to take annual paid leave through the company intranet or other means three times a year.

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At N.E. CHEMCAT, we are working to create a workplace environment where employees can work safely and in good health by establishing specific systems and carrying out various activities.

Occupational Health & Safety

Safety Code of Conduct

Based on our Responsible Care policy of "Safety is the highest priority," we have established a Safety Code of Conduct and are working to ensure safety and health with the goal of eliminating accidents and occupational injuries.

Safety Action Rules

1. Follow the rules

All company employees shall comply with laws, regulations, and other internal rules.

2. Implement thorough safety precaution

In order to prevent injury, supervisors shall give due consideration to safety (pre-screening, education and training) before utilizing new employees or introducing new equipment, new substances, or new tasks.

3. Standardize operational procedures

Workplace supervisors shall standardize operational procedures in order to ensure safety.

4. Wear protective gear

Personnel working on site shall wear appropriate protective gear.

5. Patrol the workplace

Supervisors shall patrol the workplace in a timely manner to identify any on-site issues. Identified problems shall be corrected in a timely manner without leaving dangerous locations or dangerous tasks unattended.

6. Report obligations

If an accident, injury, or emergency should occur, work shall be stopped immediately, and the situation shall be reported to a supervisor as quickly as possible.

7. Prevent recurrence thoroughness

Following an accident or injury, all workplace employees shall reflect seriously on the circumstances, determine the cause, and take steps to prevent recurrence.

Health & Safety Promotion System

N.E. CHEMCAT has established health & safety committees at each of its plants. These committees include safety managers, health managers, industrial physicians, and work supervisors, and a system is in place to reflect the opinions of employees at workplace and safety meetings.

Health & Safety Management System

We have obtained IISHA OSHMS Standards certification for our safety and health management system.

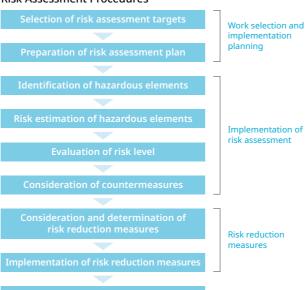
Business Sites with Health and Safety Management **System Certification**

Numazu Plant, Tsukuba Plant

Implementation of Risk Assessment

We conduct risk assessments with priority given to preventing serious accidents, while also taking measures to ensure intrinsic safety that include developing and managing the necessary equipment. In addition, we are working to improve work that involves heavy labor or working in hot weather to create a workplace that is easy to work in, even for elderly workers.

Risk Assessment Procedures



Safety Targets

With the aim of achieving zero lost-worktime injuries and injuries without lost worktime, we are working to create a safe and healthy work environment for all employees. In FY2023, we conducted RC activities and achieved zero accidents.

Occupational Accidents

(Number of accidents) 2 0 Lost-worktime injuries 2 Injuries without lost worktime 2 0 0 0 Fatal accidents

Safety Training

We provide safety training and make educational materials available on our intranet.

Safety Training (Examples)

- Safety principles
- Disaster preparedness education (BCP for major earthquakes and wind, flood, and earthquake disaster prevention)
- Education on chemical substance management
- Training for employees who work with chemical substances
- Education on management system of chemical substances in products
- Education on basic knowledge of protective equipment (for new and mid-career employees)
- Education on prevention of exposure to liquids (chemical hazards)
- Education on full body harness fall arrest equipment
- Training for high-pressure gas handlers
- Education on compliance with relevant laws and regulations
- Traffic safety training
- Heatstroke prevention education
- · Risk assessment of chemical substances
- · Foreman skill improvement training
- · New safety manager training

Hazard Simulation Training

The Sumitomo Metal Mining Group's on-site hazard training course was also conducted in FY2023, with 105 employees taking part. Trainees gained firsthand experience with hazards such as blind spots for forklifts, slipping hazards, getting caught in cylinders and rotating objects, working at heights, and handling heavy objects.

Four new instructors have been appointed to run the course. Acting as local instructors, they lead by example in safety activities at each worksite and support trainees in their efforts.



Hazard simulation training course

Workplace Accident Prevention Activities

To prevent occupational accidents, we conduct regular facility safety inspections and health and safety patrols, as well as workplace patrols by management, and shareholder audits.

Health

Supporting Employees' Mental and Physical Health

Employee Health Management through Health Checkups

Regular health checkups are conducted once a year to maintain and promote employees' health. We also help to maintain the health of employees by providing thorough physical examinations.

Specific health checkups are conducted for all insured employees and dependents between the ages of 40 and 65.

For those who are selected for "motivational support" or "active support" in the specified health checkup, an action plan is prepared under the guidance of a doctor, public health nurse, etc., and health guidance is provided to improve their lifestyles.

Insured persons and their dependents can undergo physical examinations without age

Mental Health

The company conducts annual stress checks to not only address mental health issues but also promote mental health in a broader sense, including the revitalization of workplace communication.

In FY2023, 98.0% of employees underwent stress checks. We are following up with those who are highly stressed through interviews.

Health Consultations

N.E. CHEMCAT partnered with an outside organization and introduced a system to provide mental and physical health consultations 24 hours a day. In addition to daily health counseling, we also provide services such as referrals to medical institutions where consultations are available during the yearend and New Year holidays.

Employees who request health counseling meet with an industrial physician or receive health counseling from a healthcare provider at least once a month at our head office and plants.

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