

Respect for Human Rights

We strive to contribute to a sustainable society by promoting respect for human rights.

Basic Approach

The Nihon Kohden Charter of Conduct, which the Company and its executive officers and employees have a duty to abide by, states that we have respect for human rights at all times. The Nihon Kohden Code of Ethics and Conduct sets out the ethical and responsible actions we will take to guarantee respect for human rights.

In July 2015, Nihon Kohden signed the UN Global Compact. We are committed to contributing to a sustainable society through promoting initiatives in accordance with the Ten Principles of the UN Global Compact in the four areas of human rights, labor, the environment, and anti-corruption. Recently, society is paying more attention to corporate responsibility and respect for human rights in accordance with the globalization of corporate activities. As it is essential for Nihon Kohden to respect the human rights of stakeholders, we established the Nihon Kohden Group Human Rights Policy in December 2020. Nihon Kohden strives to contribute to a sustainable society by promoting efforts to respect human rights based on this policy.

Nihon Kohden Group Human Rights Policy

1. We respect international standards related to human rights such as the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. We support the Ten Principles of the UN Global Compact as one of the signatories of it.
2. We respect human rights of all people and do not engage in unfair discrimination or harassment, and pledge not to infringe the personality and dignity of individuals in all aspects of our business activities.
3. We ensure a safe and comfortable working environment, minimum wages, responsible labor practices including appropriate control of working hours, and shall respect freedom of association and the right to collective bargaining.
4. We pledge not to engage in forced labor, child labor, nor any form of modern slavery including human trafficking.
5. This Policy will apply to all executive officers and employees of the Nihon Kohden Group. We strive to encourage all business partners including our supply chain to promote respect for human rights.

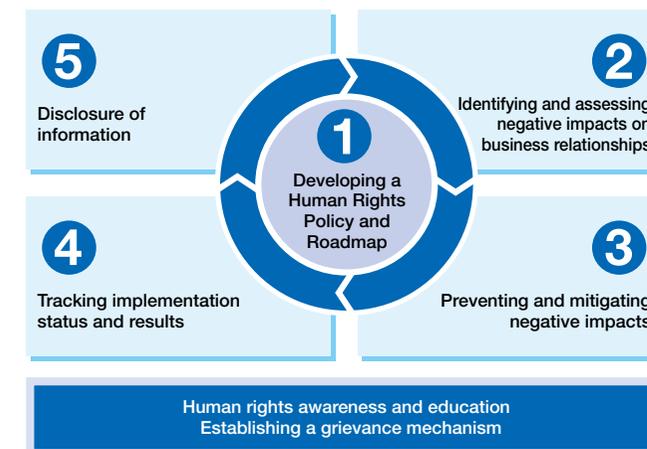
Initiatives to Respect Human Rights

■Human Rights Due Diligence

Nihon Kohden has established a human rights due diligence structure to identify, prevent, and mitigate negative impacts on human rights.

In FY2021, as part of our efforts to strengthen the promotion of sustainability management, we conducted a questionnaire survey about the environment, human rights, quality, and governance at each company of the Nihon Kohden Group in Japan and overseas, as well as at our suppliers. We have also confirmed the status of human rights-related efforts, identified relevant issues, and formulated a three-year road map. Going forward, based on the results of the Supplier Questionnaire, we will conduct a human rights risk assessment and identify important human rights issues, taking into account their impact on management. Since the situation surrounding human rights is constantly changing, we will continue our efforts to obtain the latest human rights information and standards, and periodically review our procedures and our prioritization of issues related to human rights as necessary.

Overview of our human rights due diligence



Respect for Human Rights

■ Human Rights Education and Training

Nihon Kohden conducts workplace training and e-learning education for all executives and employees on the prevention of harassment and compliance with labor laws. Nihon Kohden also strives to prevent human rights abuses, for instance, by providing a lecture on preventing harassment, as part of the training for newly appointed managers. We also prohibit discrimination on the basis of gender identity and sexual orientation and deepen employees' understanding of LGBT people and other sexual minorities through the Company Newsletter.

The number of executives and employees who have participated in human rights training in FY2021 is 4,493.

■ Consultation Counter and Internal Reporting System

Nihon Kohden has established a harassment consultation counter and internal reporting system to provide consultation on human rights issues, including sexual harassment, power harassment, maternity harassment, and labor issues for LGBT and foreign employees. Employees can use the consultation counter and reporting system anonymously, and the privacy of the person requesting the consultation is handled strictly and discreetly to protect them from any unfavorable treatment. In cases where the consent of the person concerned is obtained, we will investigate the facts of the situation, and if the facts are confirmed, we will remedy the situation, alert the parties involved to improve the work environment, and provide education to prevent a recurrence. The information is also shared at quarterly meetings of the Compliance Committee, where countermeasures are discussed.

In addition, we are discussing the establishment of a consultation counter for customers and suppliers.

■ Considerations for Social Minorities

Nihon Kohden is committed to eliminating discrimination against LGBT people (sexual minorities) and other social minorities as well as realizing a comfortable and fulfilling work environment that recognizes diversity.

Main Items under Consideration

- Family allowance for same-sex partners
- Enhancement of in-house training

In the Supply Chain

Nihon Kohden is committed to respecting human rights throughout the supply chain, including our business partners. We created the Nihon Kohden Procurement Policy and the Nihon Kohden Sustainable Procurement Standards and request our business partners to prohibit child labor and forced labor. In order to ensure the compliance with our Nihon Kohden Sustainable Procurement Standards, we strive to communicate with our business partners. We also ask all our suppliers every 3 years to answer our Sustainability Questionnaire that consists of 20 questions in six areas, including human rights. By answering these questions, we have confirmed their awareness and compliance with the Nihon Kohden Sustainable Procurement Standards. Opinions expressed through the Questionnaire are fed back to our procurement departments and utilized to realize fair and responsible procurement.