

Protests against Nitto Denko Corporation by an External Labor Union and Other Parties

Since the year before last, an external labor union and the organizations and individuals supporting it (hereinafter collectively referred to as “Protest Group”) have been carrying out protests outside our Head Office, Tokyo Head Office, and other company-related facilities, as well as at facilities related to our business partners and areas near railway stations. We sincerely apologize for any inconvenience caused by these protests involving our company.

The Protest Group demands that Korea Nitto Optical Co., Ltd., a subsidiary based in South Korea, employ seven former employees of Korea Optical High Tech Co., Ltd., another subsidiary based in South Korea that was dissolved after its production facility was destroyed by a fire in October 2022.

We proceeded with the dissolution procedures of Korea Optical High Tech Co., Ltd. in accordance with South Korean law and in consultation with government authorities, arranging briefing sessions for employees, as well as offering extra retirement benefits and reemployment support. As a result, 191 of the 208 employees at the time resigned, but we had no choice but to dismiss 17 employees who refused to accept these terms. (Subsequently, 10 of the 17 employees reconsidered their position and resigned under the same terms.)

Currently, the remaining seven former employees continue to engage in protests with an external labor union based in South Korea.

The former employees, the external labor union, and their supporters are obstructing the company liquidation procedures. For example, they are preventing the building removal work by occupying the site and fire-damaged buildings of Korea Optical High Tech Co., Ltd.

In response to these actions, we filed for a court injunction to halt the obstruction of removal work. The injunction was granted, but the protesters have not complied.

The former employees have appealed to the National and Regional Labor Relations Commissions for the annulment of their dismissal, but both commissions have dismissed their appeal. (The former employees have filed a lawsuit to challenge this decision; the case is currently under litigation.) The National and Regional Labor Relations Commissions have upheld our decision, judging that Korea Nitto Optical Co., Ltd. is justified in not succeeding to the employment contracts of Korea Optical High Tech Co., Ltd. as the latter is a completely distinct entity.

Meanwhile, the former employees, the external labor union in South Korea, and their support groups in Japan have formed the Association for Supporting the Korea Optical High Tech Labor Union, carrying out protests in Japan.

These protests are not limited to street demonstrations outside our offices and factories, as well as around nearby railway stations; the protesters come to the offices of our affiliated companies and business partners, shouting their demands while waving flags and banners. Such acts exceed the scope of labor movements advocated by the Protest Group, disturb and intimidate unrelated third parties, and are unacceptable.

Our position is that this is an issue in South Korea and should thus be resolved in South Korea. As stated above, our claims have been upheld in legal proceedings in both South Korea and Japan, while some matters remain under litigation. Out of respect for these ongoing judicial proceedings, we will not engage in any negotiations or reach any agreements or compromises outside the court process.

We apologize for any inconvenience this may cause and kindly ask for your understanding.