

Relationships with Employees

Social Requirements

- Work style reforms, creating environments conducive to work
- Equality in hiring (post-retirement rehiring, hiring of people with disabilities, women's work-place participation and advancement)

The FDK Approach

- Embracing diversity and inclusion
- Creating work-friendly environments
- Developing human resources for their contribution to society and the planet

Highlights of Relationships with Employees

Employment rate of female employees

28%

Number of female employees in management and supervisory roles

3

Ratio of non-Japanese employees (Domestic business sites)

0.74%

Employment rate of persons with disabilities

2.30%

Days of paid leave taken/ per person/year

15.3

Number of employees using the Childcare Leave Program

20

Number of consultations with the human resources hotline

0

Initiatives Supporting Relationships with Employees

Embracing Diversity and Inclusion

Basic Concept

Policy Orientation

FDK Group promotes diversity in human resources irrespective of nationality, gender, sexual orientation, age, ability/disability, religion or values as a basic policy to enable individuals to grow with the company.

Ideal Form

Our Ideal Form is for everyone working in the FDK Group to refuse to engage in any form of discrimination and welcome diverse human resources with actual action.

Examples of Initiatives and Other Measures

(1) Creating a working environment that is friendly for all people

- Providing a comfortable working environment for people with disabilities and LGBT people

Plant practical training and trial employment have been conducted. We are systematically promoting the installation of barrier-free, multi-purpose restrooms.

In FY2021, we installed multi-function restrooms at the Tottori Plant.

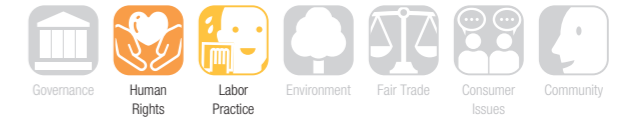
- Introduction of new uniforms
We have introduced a new uniform that respects diversity, including LGBT people. They are designed to be suitable for both men and women of all ages, as well as being safe, comfortable, and IEC standard-compliant (anti-static).

(2) Improving the personnel treatment system

- We have formally introduced a telework system.
- We have introduced a flextime system with no core time and shortened hours for childcare.

(3) Proceeding the educational activity such as trainings and seminars

- We conducted management training as planned.



(4) Conducting an employee satisfaction survey

- We conducted an employee satisfaction survey for all employees. (Response rate: 99.4%) To resolve the issues raised by the survey results, we conducted a training program on organizational revitalization.

Diversity Initiatives

The FDK Group launched the Success Support Project for Women and set up the Office to Support Women's Success for the purpose of expanding and supporting opportunities for women to succeed. The Office to Support Women's Success was renamed the Diversity Promotion Office on April 1, 2017.

The Diversity Promotion Office strives to foster respect for diversity while working to create a work-friendly environment.

The Diversity Promotion Office comprises an office manager, staff, promotion members (appointed from each business division) as well as advisors from human affairs and the labor union led by the director in charge of corporate affairs.

Action Plan Based on the Act on Promotion of Women's Participation and Advancement in the Workplace

Since April 2010, in accordance with the action plan based on the Act on Advancement of Measures to Support Raising the Next Generation of Children, the FDK Group has been actively pursuing work-life balance in order to realize an environment where each employee can work with vigor and satisfaction. We have also drawn up an action plan in accordance with the Act on Promotion of Women's Participation and Advancement in the Workplace, which came into effect in April 2016. We will continue striving to be a company where both men and women can play an active role.

About the Stage 1 Action Plan

In order to further support women's advancement, we drew up an action plan, as follows.

1. Plan period

Five years from April 1, 2016 to March 31, 2021

2. Our challenges

- The culture and work environment are not supportive of female employees raising children.
- Workplace management is inadequate in some areas, making it difficult for women to continue working while raising children due to difficulties in balancing work and family life.
- The workplace culture is not conducive to supporting those who continue to work after giving birth or while raising children.
- There is insufficient understanding of flexible working styles in the workplace, making it difficult to take time off suddenly, such as when a child is sick.

3. Quantitative targets

Increase the percentage of women in managerial positions by 125% or more relative to FY2015.

4. Initiative and implementation period details

Initiative 1: Management-led implementation of work-life balance

April 2016 — Success Support Project for Women organized to regularly check the status of activities and share information on various measures and outcomes.

October 2016 — Events hosted by the Office to Support Women's Success on a yearly basis.

Initiative 2: Promoted the creation of a comfortable work environment to enhance workplace responsiveness and management

April 2016 — Planned and reviewed various seminars and training programs.

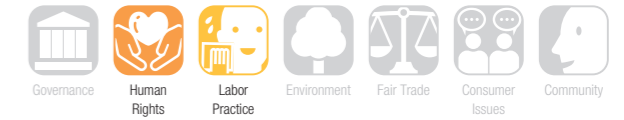
December 2016 — Conducted management training to renew awareness among male managers and workplace leaders.

June 2017 — Women's career training held to renew awareness among female employees.

Initiative 3: Active recruitment of female employees and implementation of recruitment plans

October 2016 — Consideration given to expanding the workplaces and job areas where female employees are assigned.

February 2017 — Plan implemented for active recruitment of female employees in conjunction with the personnel and recruitment plans.



About the Stage 2 Action Plan

In order to further promote women's advancement and create a work environment where both men and women can work for many years, we drew up an action plan, as follows.

1. Plan period

Five years from April 1, 2021 to March 31, 2026

2. Our challenges

- Challenge 1: Workplace management is insufficient in some areas, and the use of the system is not well understood.
- Challenge 2: A workplace culture is needed that supports people who continue to work after giving birth, while raising children, while caring for family members, etc.
- Challenge 3: There is insufficient understanding of flexible working styles in the workplace, making it difficult to take time off suddenly.

3. Targets and details of initiatives and implementation period

Goal 1: Increase the percentage of women in managerial positions by 150% or more relative to FY2021.

Initiative details

- April 2021 — Regular meetings of the Diversity Promotion Office, which supports the advancement of women, will be held to confirm the status of activities and share information on various measures and outcomes.
- April 2021 — Provided a self-development curriculum to support individual career advancement.
- June 2021 — Increased the number of female participants in training programs for next-generation leaders.
- September 2021 — Held management training for managers and supervisors.
- October 2022 — Hold exchanges of viewpoints with female managers and supervisors.

Goal 2: Increase the rate of use of flextime, telework, and other systems that contribute to flexible working styles, by 25% relative to FY 2021.

Initiative details

- April 2021 — Improved the system and raised awareness of it on a regular basis.
- June 2021 — Established an environment for telework.
- September 2021 — Raised awareness of the importance of work-life balance at management training seminars.
- September 2021 — Conducted education on management points and issues regarding telework.

Developing Human Resources for Their Contribution to Society and the Planet

Human Resources Development

FDK Group strives to nurture human resources by categorizing human resources development into four main themes.

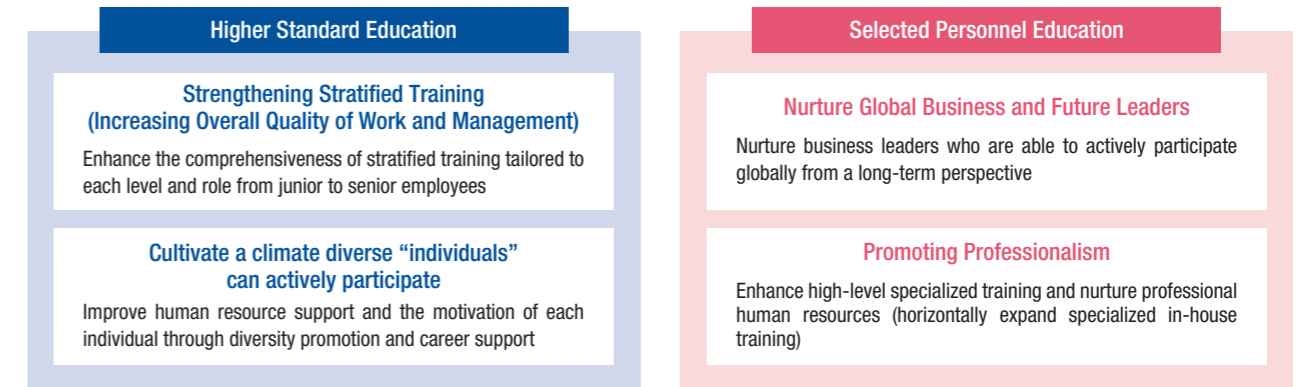
1. Stratified training (higher educational standards)
 - We will enhance education tailored to the level of each employee's position, from new recruits to executives.
2. Professional development training
 - Taking specialized seminars and skills tests
 - We will train professionals in each specialized field, incorporating advanced technology and the latest skills.
3. Business leader development
 - Next-generation leader training, global human resources development
 - In-depth study of management skills that lead to organizational revitalization.
 - Understanding and encouragement of human resources development
4. Supporting the growth of a diverse range of individuals
 - Career planning training and human rights education
 - We will work to improve individualized human resources support and motivation through career support and similar programs.

Review of Various Education and Training Programs

1. Review of stratified education
 - Internal basic education will be changed from a group format to a format that suits the work schedule of the participants.
2. Concurrent use of online training
 - Instead of making all training sessions group-based, those likely to be effective in an online format will be moved online.
3. We will provide opportunities for personal study for self-development. We will provide easy learning opportunities for employees to improve their skills through e-learning.
4. Conducting training that takes talent management into account
 - We will conduct training to develop the next generation of human resources.
5. Expanding the "dojo"
 - The "dojo" conducts the following activities.
 - 1) Self-improvement activities in a variety of fields to hone employees' knowledge, abilities, and mental and physical skills
 - 2) Activities to enhance communication between different departments and generations and to strengthen the organization

Purpose of the "dojo"

- 1) For FDK Group employees to enrich their lives by developing deeper expertise, education, and experience in various fields.
- 2) To renew awareness of self-improvement, put in place an environment for self-improvement, build a corporate culture in which employees work hard



Picture of a Global Human Resource



to help and compete with each other, and strengthen organizational capabilities by passing down techniques and conducting exchange between generations.