

Relationships with Employees



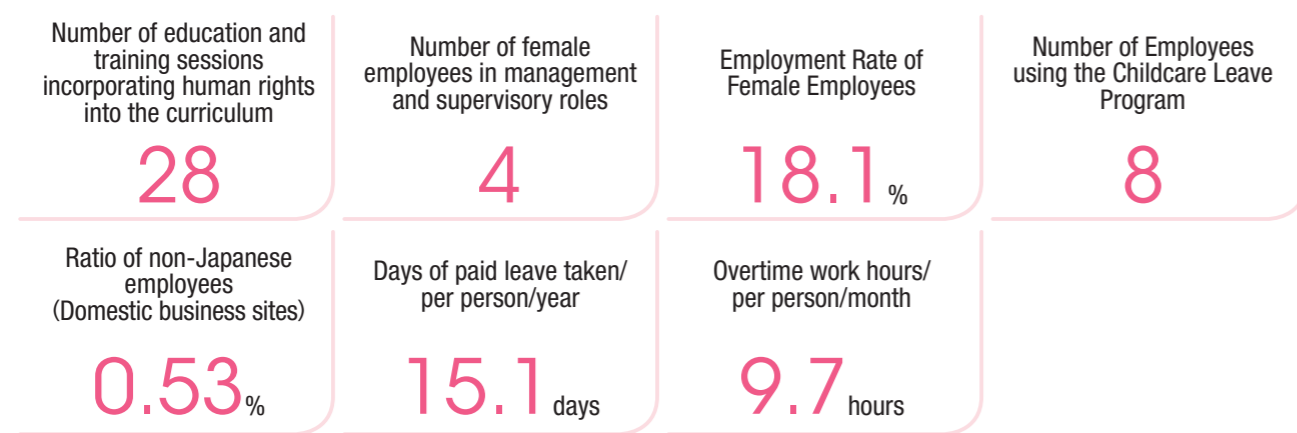
Social Requirements

- Work style reforms, creating environments conducive to work (reducing overtime work hours, increasing paid leave use rates, enhancing systems for long-term care and childcare)
- Equality in hiring (post-retirement rehiring, hiring of people with disabilities, women's workplace participation and advancement)

The FDK Approach

- Embracing diversity and inclusion
- Developing human resources for their contribution to society and the planet
- Establishing and raising awareness about company-internal systems

Highlights of Relationships with Employees



Initiatives supporting Relationships with Employees

Embracing Diversity and Inclusion

Basic Concept

FDK Group believes each employee should grow together with the organization as we respect each other and embrace diverse human resources regardless of differences such as nationality, gender, age, ability or disability. We thereby incorporate a range of values and work styles in our efforts toward diversity as a management strategy to heighten corporate value.

FDK strives to cultivate employees who, from a global perspective, have high aspirations to contribute to the advancement of society.

Example of effort (1): initiatives to respect human rights

FDK Group engages in enlightenment activities through training and seminars for everyone who works at the FDK Group to eliminate all discrimination, embrace diverse human resources and take actual action toward inclusion.

FY2018 targets and achievements in respect for human rights

▶ Human Rights Enlightenment Activities

FDK Group expanded awareness about the respect for human rights by conducting human rights enlightenment activities in conjunction with the Human Rights Week in December.

- Held seminars for the purpose of improving human rights awareness
- Distributed human rights promotion leaflets to every employee
- Human rights education and training
 - FDK Group has incorporated human rights training in the various training curriculum to put in place opportunities for employees to actively think about human rights.
 - Management training
 - New manager training
 - Supervisor promotion training
 - Mid-level employee training

Example of effort (2): diversity initiatives

▶ Milestones

1st Term: FY2014 - FY2016 Awareness/Understanding
Understand the success support project for women
Build an environment that allows women to participate

2nd Term: FY2016 - FY2017 Understanding/Practice
Build a company with diverse values as a strength
Improve diverse work styles and productivity

3rd Term: FY 2018 Onward Practice/Business Contribution
Improve the growth and motivation of individuals

▶ 1st Term: FY2014 - FY2016 (Awareness/Understanding)

- FDK Group launched the Success Support Project for Women for the purpose of expanding and supporting opportunities for women to succeed in an effort to heighten awareness and improve the work itself.
- FDK Group subscribes to gender equality at each Group location to realize a balanced life between work, family and community lifestyles.

▶ 2nd Term: FY2016 - FY2017 (Understanding/Practice)

- We have been expanding efforts to evolve the organization through an ongoing cycle in which employees autonomously map out their future careers regardless of limitations and managers expect and support that growth.

▶ 3rd Term: FY 2018 Onward (Practice/Business Contribution)

- FDK Group will position "Diversity & Work-Life Balance" as a key management strategy in an effort toward work-style innovation.

- Reduced meetings and the time to create materials
- Put in place a comprehensive no overtime day
- Established six days annually of simultaneous paid leave and paid leave use promotion days
- ▶ **Initiatives for after age-based retirement**
- Held Senior Life-plan Seminars for employees 55 and older
- ▶ **The Act on Promotion of Women's Participation and Advancement in the Workplace**
- Renewed awareness among women and increased the number of female supervisors

FDK held a total of 40 seminars related to diversity in FY2018, including those above.

Diversity Promotion Framework

FDK Group has worked to build a women-friendly workplace since FY2014, and it has been promoting diversity thereafter around the two axes of "supporting the success of diverse human resources" and "realizing diverse work styles" with the aim of facilitating individual growth regardless of gender to create new value therein.

▶ Diversity Policy

FDK Group is promoting diversity around the two principles below based on issues identified in our Employee Satisfaction (ES) Survey, the feedback received in discussions between the President and employees, and the results of a diversity questionnaire that targeted female employees.

Improve the growth and motivation of individuals

Each and every employee shall accept one another to drive added value and contribute to the organization in their own unique way.

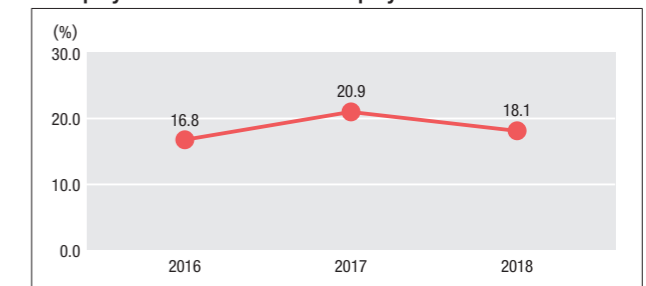
Enhance corporate competitiveness and growth

FDK Group management and employees will freely debate matters from diverse perspectives to continually forge new knowledge and technology.

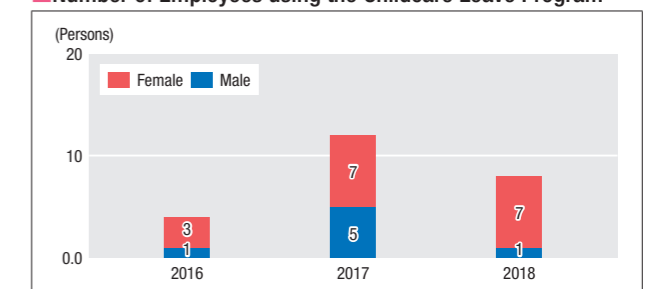
FY2018 diversity-related targets and achievements

- ▶ **Renewing Awareness and Reforming the Corporate culture**
 - Conducted workplace management seminars for all managers and supervisors
- ▶ **Improving Motivation to Drive the Will of Each Person**
 - Conducted leadership training for upper-level employees
 - Formulated career paths and strengthened relevant support
 - Conducted career design training for senior management positions
- ▶ **Reducing Total Working Hours to Improve Awareness about Work-Life Balance**
 - Built an environment to produce higher results in a shorter period of time
 - Standardized operations and created procedural manuals to abolish single-person tasks

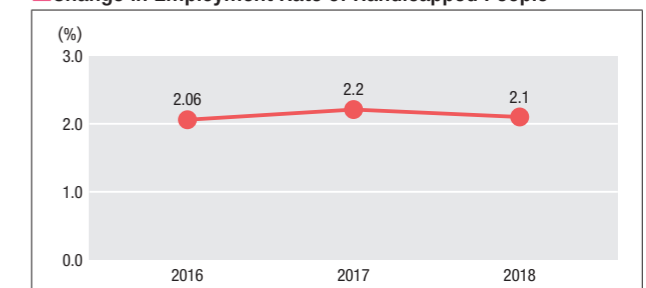
■ Employment Rate of Female Employees



■ Number of Employees using the Childcare Leave Program



■ Change in Employment Rate of Handicapped People

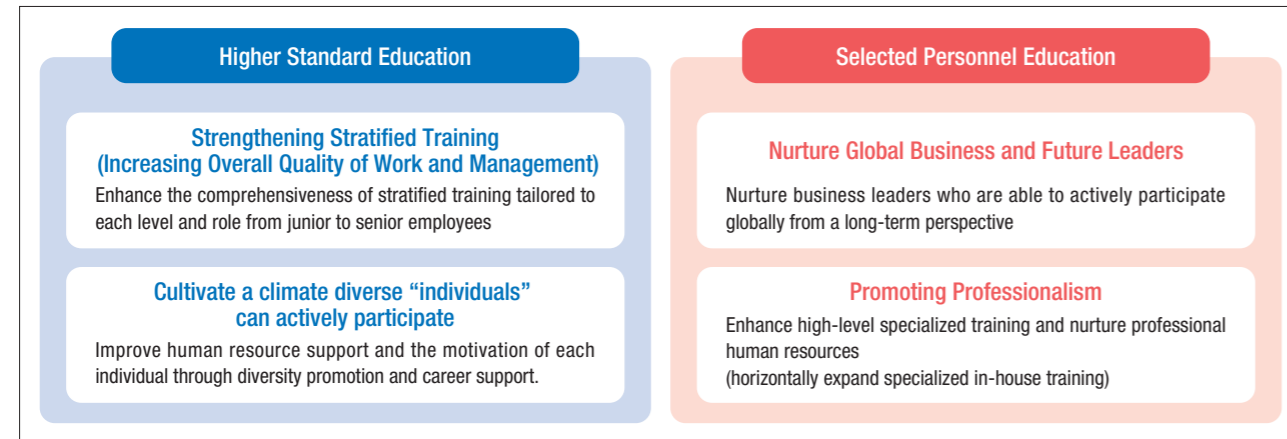


Developing Human Resources for Their Contribution to Society and the Planet

Example of effort (3): Human Resource Development Policy

► Four Themes to Nurture Human Resources

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



Examples of Initiatives (4):

► Enhancing Stratified Training

During FY2018, we refined the FY2017 curriculum to increase awareness of legal and regulatory compliance, and conducted training for the purpose of acquiring the knowledge and skills needed at each organizational level.

The Current State of Stratified Training

- New general manager training
- New manager training
- Supervisor promotion training
- Mid-level employee training (advanced, basic)
- New employee training

► Enhancing Specialized Skills

Two employees were sent to Fujitsu Technical Academy, operated by FUJITSU University in order to learn electric and electronic mechatronics technology.

► Developing Global business Leaders

FDK defines global human resources as "people who have sufficient knowledge about their company and can work in operations in a multicultural environment while respecting the traditions of different countries" in addition to "possessing the skills (language and communication skills) to think about and execute matters from a global perspective".

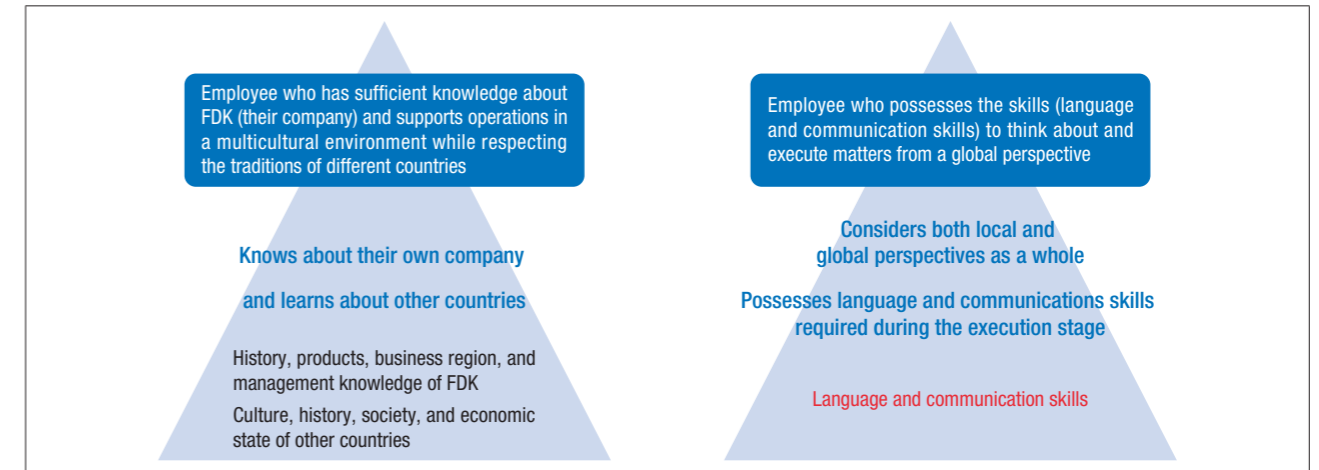


Stratified training



Training to deepen understanding of other cultures

Picture of a Global Human Resource



Deepening the understanding of other cultures, which is crucial to doing global business, was set as an objective for FY2018. We established training in understanding of other cultures, which was undergone by 13 people.

In order to boost language abilities, we made a variety of learning styles (schools, e-learning, and online English language courses) available for selection to provide equal learning opportunities to all business sites.

By offering the TOEIC test as part of stratified training, and for anyone else who wishes to take it twice a year, FDK is also providing an opportunity for employees to check their own language ability.

► Education and training for next-generation leaders

FDK holds training to cultivate the next generation of leaders for a strong organization able to accurately assess and respond to environmental changes. The effort involves nurturing self-reliant and independent individuals with broad perspectives reflecting discernment of their relationship with society while developing and disseminating transformative awareness and thinking within the company.

The training is built around looking at and thinking about things from various points-of-view to heighten ideas without exception as well as nurture new inspiration and an ability in discovery. Throughout FY2018, 15 people participated.

Training was established so that the next generation of leaders could acquire necessary skills and team management-related knowledge while increasing general enlightenment on leadership. There were 14 participants in this program.



Development training for the next generation of business leaders

Human Resource Development System

FDK Group is conducting education in-line with three categories; "basic training" related to the knowledge, skills, and code of conduct that should be shared with all employees, "stratified training" in-line with the level and role of each employee from new employees to management, and "specialized skill training" to heighten the expertise of employees in their occupations.

Human Resource Development System

