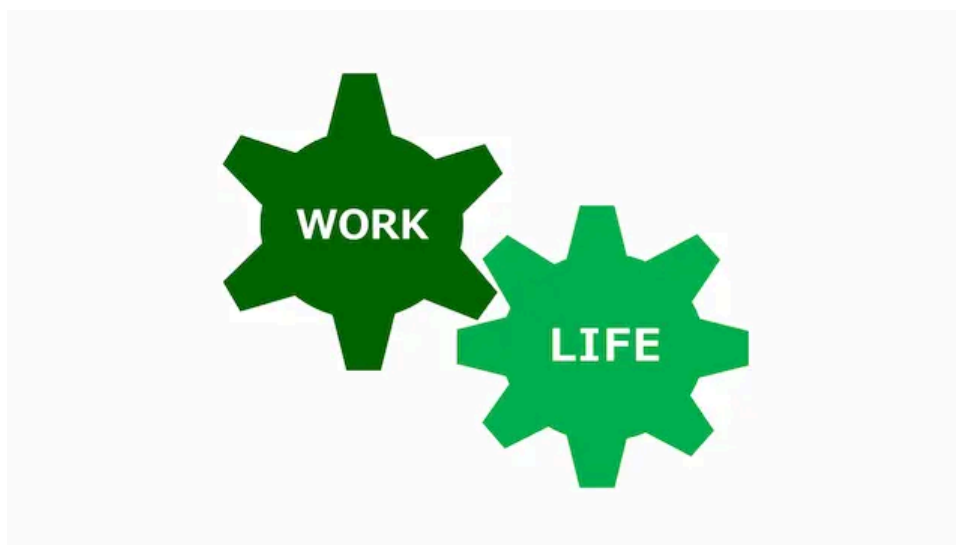


Work Style Innovation | FY2023 Archive

| Promoting Work Style Innovation



We believe that in order to enhance our corporate competitiveness, it is essential to advance the way we work, shifting towards a highly time-conscious and high value-added productivity working style. Additionally, we recognize the importance of achieving a balance between work and life to enable diverse talents to thrive. Therefore, our basic concept of “Work Style Innovation” is to establish a “win-win” relationship between employees and the company, allowing employees to work with a sense of fulfillment and achieve exceptional results. We encourage each employee to maximize their productivity within the designated working hours, while also dedicating time after work and during leisure to self-improvement, hobbies, and spending time with family. Our goal is to create a virtuous cycle wherein individuals' efforts to improve the quality of their work time will drive personal growth and ultimately contribute to the achievements of the organization.

Since the initiation of “Work Style Innovation” in 2017, we have promoted a variety of initiatives, including conducting Work Style Innovation Meetings for employees to discuss and review work styles at each work site and holding seminars to provide opportunities for all officers and employees to contemplate “Work Style Innovation”. Additionally, we set up a Work Style Innovations microsite on our intranet in order to share messages from management, each department’s goals and case studies of initiatives, which helps galvanize work style innovation efforts.

Due to the COVID-19 pandemic in fiscal 2020, we established and expanded communication infrastructure to enable all domestic employees (approximately 3,000) to work remotely, and we promoted active utilization of our web conferencing system. At the same time, we made efforts to maintain productivity and the health of our employees by holding training to strengthen communication in teleworking, and we disseminated information and held events to maintain physical and

mental health. Since October 2022, in order to further improve productivity and the balance between work and life as a new way of working in the post-COVID-19 era, we have expanded the telecommuting system while still requiring employees to come to work in principle, and we encourage our employees to work in a hybrid work style that takes advantage of both the communication benefits of coming to work and the benefits of working from home.



In recognition of the Company's efforts to promote childcare support, we received "Kurumin" Certification twice, in 2010 and 2013, and "Platinum Kurumin" in 2017 while working to create a pleasant and rewarding work environment for employees raising children. Since then, we have been "Platinum Kurumin" certified every year.

The acquisition rate of annual paid leave has surpassed 70% due to the promotion of work style innovation through these continual endeavors.

For more information on working hours management, please see the "Prevention of Overwork" section in [“Health, Safety and Welfare of Employees.”](#)

For more information on uptalking rate for paid leave and usage results for the childcare leave program, please see [“ESG Data Table.”](#)

I Improvement of Employee Satisfaction

We value communication between management and employees, which includes lectures by directors at each business site and company-wide messages from the president and executive officers.

The aim of our work style innovations is improving productivity. In evaluating productivity, we emphasize employees' sense of fulfillment in their professional and private lives. We have decided to measure employee engagement and turnover rate in order to understand how fulfilling work tasks are and how much employees feel that they are contributing to society through their work.

In fiscal 2022, we introduced the new system Qualtrics Employee XM in the company-wide employee engagement survey SMP Opinion, which is commonly known as MinOpi. This system can display correlations between engagement and engagement-related questions. This has made it easier for us to identify issues in each workplace and take more effective actions. Going forward, we will continue to implement various initiatives to maintain a high level of employee engagement.