

# Human Resource Management

KOITO has identified “human resource development,” “healthy and safe working environment,” “workstyle reform” and “protection of human rights” as part of our materialities. With the keywords of “communication and collaboration,” KOITO encourages every employee to share their knowledge, experience, findings, and problem awareness through various means to build energetic worksites where every member can work on tackling problems.

KOITO is also building a systematic education and training system with an expanded range and curriculum for employees to acquire technical knowledge and skills, as well as logical thinking and various methods of expression. At the same time, achievement evaluation systems are being reorganized so that every employee can experience growth and become motivated to take on new challenges.

To achieve the KOITO Group's further growth, we are improving work-life balance and diversity of our employees and renewing various human resource systems.

## Work-life Balance

KOITO has been improving the work-life balance to create a work environment where every employee can make the best use of their capabilities and fulfill their potential. In addition, we are promoting flexible and diverse working styles. KOITO has introduced teleworking system as one of “New Normal” ways to work, following the COVID-19 pandemic.

### [Reduction of long working hours]

- Overtime working hours in each department is reported at the monthly Managing Committee, and work processes are being streamlined to reduce it.

### [Acquisition of paid leaves]

- The Committee for the Acquisition of Paid Leaves promotes employees to take paid leaves of 15 or more days per year and confirms the acquisition status by each department.

### [Support for childcare and nursing care]

- Improvement of childcare leave (up to the end of April after the child reaches three years old) and short working hour system for childcare (up to the end of March after the child reaches nine years old)
- Nursing care leave can be taken up to one year
- Implementation of seminars to balance work and nursing care for employees

### [Introduction of teleworking system]

- Applicants in administrative divisions can work from home

## Promotion of Diversified Human Resources

To promote diversity, KOITO encourages active participation of a variety of human resources, including women, foreigners and the elderly, and is working to improve the treatment of non-regular employees.

### [Women empowerment]

- Expanding the number of women in regular position, senior management, newly and mid-career hires
- Provide education to women employees and for managers with women staff etc.

### [Support for foreign employees]

- Employ foreign candidates to strengthen R&D
- Strengthen the recruitment of exchange students by cooperating with universities etc.

### [Support for senior employees]

- Rehiring of all applicants over 60 etc.

### [Improve treatment for non-regular employees]

- Promote all non-regular employees as full-time employees (2019) etc.

## ■ Personnel Data (KOITO MANUFACTURING)

	FY 2019	FY 2020	FY 2021
Number of employees (and women employees) in new hires	131 employees (24 employees)	142 employees (35 employees)	144 employees (27 employees)
Number (and percentage) of women in senior management	6 employees (1.0%)	6 employees (1.0%)	8 employees (1.3%)
Number (and percentage) of employment of staff with a disability	80 employees (2.27%)	85 employees (2.37%)	84 employees (2.31%)
Ratio of dispatched employees	19.7%	17.9%	17.7%
Average years employed by the company for all employees (and for women employees)	20.0 years (21.7 years)	19.6 years (20.9 years)	19.7 years (20.7 years)
Employee turn over rate (voluntary resignation)	1.1%	1.1%	0.8%
Monthly average overtime hours	23.7 hours	20.6 hours	9.9 hours
Number of paid leave per employees	16.0 days	16.2 days	14.7 days
Number of employees taking maternity leave	37 employees	34 employees	33 employees
Number of employees taking child care leave	63 employees	62 employees	79 employees
Employee training time	63,181 hours	75,241 hours	42,960 hours
Average training time per employee	14.9 hours	16.9 hours	9.6 hours
Violation of human rights	None	None	None

## Occupational Safety and Health

KOITO adopts “Safety comes first” as the basic approach to safety and health and aims to create the safe, secure, and comfortable work environment with the participation of all employees. Five Safety Rules are also set as the standard actions to follow in all activities that are to be practiced by the entire Group.

The Safe and Environmental Committee chaired by the Director meets monthly to discuss policies on employee safety and health measures, including measures to prevent and recur problems or accidents, as well as other important issues. The matters discussed at the Safe and Environmental Committee are presented to every employee through the Safe and Health Committee, and the Safe and Environmental Committee of each production site, or the worksite safety meetings conducted at their worksites.

Targeting all personnel working in the premise, KOITO repeatedly provides education and accident drills to develop human resources who follow safety rules and increase their awareness. We are also conducting risk assessment and risk detection activities to enhance the senses to find potential risks at the worksites. In addition, Directors and Managers conduct on-site inspections, identify unsafe conditions, and take preventive measures with the goal of zero labor disaster and traffic accidents.

## KOITO Member Benefit

KOITO is working to enhance our member benefit and improve the workplace environment to increase our employees' motivation.

As for benefits, KOITO prepares dormitories, company housing, and cafeteria facilities for employees. We also introduce an employee stock purchase plan (ESPP) to support employees' property formation and share the company's medium- to long-term growth.

The improvement of the workplace environment includes the installation of security cameras at entrance gates and dormitories to enhance security, installation of automatic fire extinguishers as a fire safety measure, and replacing lights with LED lamps at work areas in production sites to reduce employees' workload.

For KOITO member benefit in overseas subsidiaries, please refer to our Human Resource Management website.

URL: <https://www.koito.co.jp/english/csr/social/humanresource.html>

## Human Resource Development

KOITO engages in human resource development through a wide variety of curriculums, and provides job-rank based education, technical education, and global education.

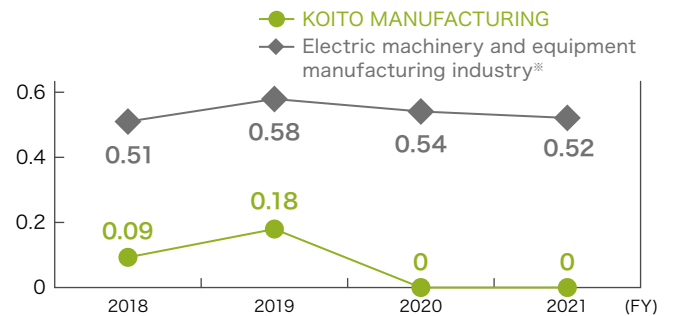
The job-rank based education consists of management training for specific qualifications and positions. The technical education includes 111 lectures in and outside of KOITO, such as advanced education on AI, IoT, and sensors. A total of 3,467 KOITO employees participated in these training and lectures in FY 2021.

The global education focuses on multi-culture training, e-learning, language training.

### Five Safety Rules

- Safety comes first.
- Follow every rule in all work operations.
- Do not touch any moving objects.
- Report immediately if any abnormality is found.
- Negligence causes accidents.

■Rate of lost-time injuries (lost worktime)



$$\text{Rate of lost-worktime injuries} = \frac{\text{Numbers of workers due to industrial accident}}{\text{Man-hours of work}} \times 1,000,000$$

※Source: The Ministry of Health, Labour and Welfare

## Health and Hygiene

Based on five management elements of occupational health (work environment management, work management, health management, hygiene education, and hygiene management system), KOITO is implementing various activities to provide a healthy and safe workplace environment.

### [Activities on health]

- Implementing periodic medical checkups and providing results to employees
- Influenza vaccination for applicants
- Implementing special health checkups to confirm there are no occupational illness
- Implementing life-saving seminars (including AED seminars and others)

### [Efforts to maintain and promote mental health]

To prevent employees from mental health issues, we are providing “self-care” training for new employees and applicants, and “line-care” training for Managers and Chiefs. In FY 2021, a total of 210 employees participated in self-care and 79 in line-care training.

We conduct annual stress checks for all employees to encourage self-care, and support them by having individual counselings.

In addition, we are improving our support system by establishing an external consulting desk where employees can consult on mental health issues over the phone.

### [Activities on hygiene]

- Implementing training for hazardous chemical substances
- Preventing accidents and health impairment through special education for organic solvents or powder handlers
- Implementing health lectures during National Occupational Health Week
- Preventing collective infections at dining halls (sanitary inspections, etc.)