

/ TSUNAGU – Connecting to the Future

Management that Respects Humanity Initiatives to increase employee work satisfaction

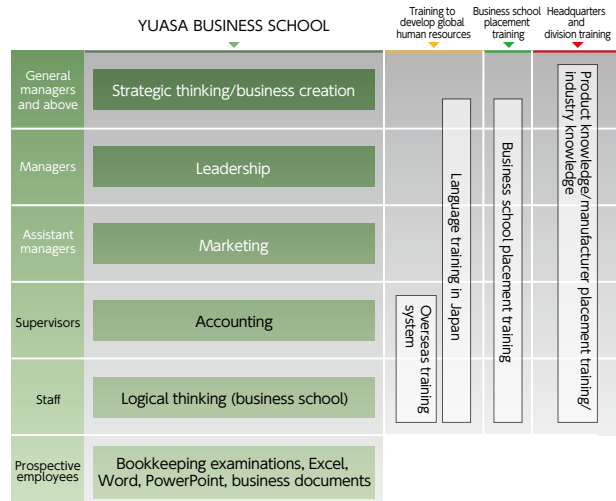
The YUASA TRADING Group promotes the reform of corporate culture based on the keywords of “Challenge Spirit,” “Total Coordination Skills,” and “Communication” in order to maintain sustainable growth. So that each and every employee is able to achieve work satisfaction and growth, we make sure that we share the gains related to the results of activities to respond to the contributions of our employees.

▶ Training system

We provide regular joint training according to the skills required for each level.

- **Joint training based on level**
(Training contents)
Logical thinking, sales capabilities, accounting, marketing, strategy construction, etc.
- **Next generation management human resource training**
- **Off-site training for business school**
- **Language training**
To strengthen the language skills of employees and develop global human resources, we offer employees private lessons with English conversation teachers and individual distance learning.
- **Overseas training system**

■ Training system diagram



▶ Challenge evaluation system

We have implemented a system of evaluations for various challenges in order to foster a corporate culture of taking on challenges.

Challenge points

A system that adds points based on HR evaluation for new initiatives that aim to expand profits, reduce costs, and produce unprecedented schemes, systems, and functions.

Challenge career system

In order to foster a culture of taking on challenges in new areas, this system allows employees select their careers.

- **Internal FA system**
System for employees to submit requests for voluntary transfers across headquarters
- **Internal recruiting system**
A system in which the company publishes open positions, and employees who want to be assigned apply for them
- **Career pass system**
A system in which the company transfers high achievers across headquarters
- **Overseas assignment system**
A system for employees to request an overseas transfer

■ Comments from employees who used the internal recruitment system

- I feel it is very rewarding that I can increase the value added in the work of my own department taking advantage of work experience from other departments.
- I felt that being involved in work with a fresh perspective and viewpoint will be essential in the future.

New business proposal system

Employees who have made a new business proposal receive points on their HR evaluations to provide motivation for new business proposals from employees.

Applications are open to all Group employees in the categories of “new business,” “new function,” and “new product/new market.”

■ Number of proposals in the new business proposal system

FY2018	50
FY2019	60
FY2020	70
FY2021	51

■ Commercialization of most outstanding proposal from April 2022!

FY2021 New Business Proposal Grand Prize



“Kariuru Net,” an online rental business for industry and daily life

● “Kariuru Net” Overview

YUASA TRADING partnered with a rental company to create an e-commerce rental business for other industries. It is possible to rent using electronic payments, just like shopping online.

■ Comment from staff member in charge of commercialization

We formed a project team with each section leader and succeeded in commercialization of the business by working together as a team to repeat the cycle of sharing, analysis, review, and action.

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Management that Respects Humanity

Initiatives to increase employee work satisfaction

▶ Displaying an open corporate culture

In order to bring out our collective strength, we have established “points for contributions from other departments” for adding points in HR evaluations, as a system to further stimulate cross-departmental communication and enable each employee to demonstrate their individual knowledge and experience.

Points for contributions from other departments

This is a system which adds points in HR evaluations based on the results of contributions from other departments for the purpose of fostering a corporate culture with active cross-departmental contributions.

● Mastery points

Points are added for internally announcing (registering) areas of expertise

● Incentive points

Points are added for cross-departmental contributions

● Success points

Points are added for success based on cross-departmental cooperation

■ Incentive points results

April 2021 – March 2022

Incentive points applicants: Total of 768 persons

■ Introduction of Group incentive points and Group success points systems

To upgrade the collective strength of the Group, we introduced the incentive points and success points systems at all Group companies in October 2022.

▶ Stimulating internal communication

In order to revitalize our organization and foster an open corporate culture, we promote information sharing among employees and we are using IT tools to strengthen communication and streamline operations.

Round table meetings with the President

The President attends these meetings himself to communicate directly with employees, including those from the Group companies, and discuss the direction the Group should aim to take face-to-face.

There have been some lively exchanges of views, with comments from employees leading to actual reform of company systems.



A round table meeting with the President at the Group company, TAKACHIHO CORP.

Group newsletter “Yamazumi”

The Group publishes “Yamazumi,” the Group newsletter, four times a year. It is used as a form of internal communication and has a wide range of content, including messages from top management as well as introductions to the Group’s business and officers.



“Yamazumi,” the Group newsletter

Operational improvements using “AI chatbot”

With the aim of promoting workstyle reform, we have introduced the “AI chatbot” communication tool to reduce the workload for both making and responding to day-to-day routine inquiries. It is used as a tool that can allow the content of inquiries to be easily confirmed using chat even outside of business hours or when the contact person is not available.

Group employee only website Growing Strategy Division website

The Growing Strategy Division, which is the central organization in promoting the YUASA TRADING’s growth strategy, has established a website for employees only to share information about growth strategy business across the Group. The site is used internally and allows the latest information to be checked at any time.

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Management that Respects Humanity Initiatives to improve the ease of employee work

The YUASA TRADING Group has respect for the individuality and rights of employees and practices diversity management. Based on an organization and rules that are founded on a spirit of mutual trust and cooperation, we focus on creating a workplace environment that enables the pursuit and practice of entrepreneurship and innovative ideas.

▶ **Aiming to promote diversity**

Based on a spirit of “regard for the individual,” we have respect for the individuality and rights of employees, and we have continued to engage in business activities while putting value on entrepreneurship and innovative ideas.

Henceforth, employees with more diverse backgrounds than ever before in terms of gender, age, nationality, disability, and various lifestyles and values will foster an environment of respect for each other’s values and cooperation.

We will also seek to enhance corporate value by encouraging a transformation in the mindset and behavior of each and every employee, creating an employee-friendly environment, and implementing diversity management throughout the Group,

YUASA TRADING Group Diversity Policy

1. Establishment of base environment
2. Hiring and promotion of diverse human resources
3. Expansion of female managers and career diversification
4. Work facilitation for employees with disabilities
5. Active participation by middle-aged and older employees
6. Support for balancing parenting and work
7. Support for balancing nursing care and work



Diversity Policy

■ **Trends**

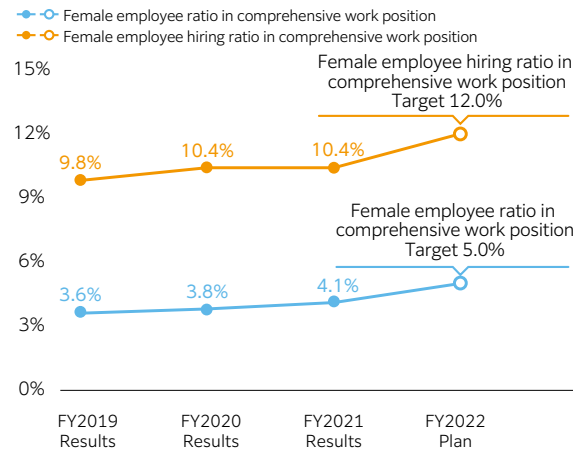
	FY2019	FY2020	FY2021
Rate of female employees*1	40.1%	40.3%	40.0%
Number of employees with disabilities*2	15	16	19
Rate of female managers*3	1.2%	1.2%	1.5%

*1 Non-consolidated

*2 Number of employees with disabilities is directly employed, non-consolidated

*3 Rate of female managers is directly employed, non-consolidated, including contract and temporary employees

■ **KPI for Medium-term Management Plan “Growing Together 2023”**



■ **Diversity training**

In order to address promotion of diversity and women’s empowerment as an organization, we held training by outside instructors for general managers to learn about management that supports active participation by subordinates regardless of gender and approaches to supporting career development.

■ **FY2021 program**



Number of general managers who participated: Total of 19 persons

■ **Career track transfer system**

In order to promote women’s empowerment, we have implemented a system for employees to transfer their career track from general office work positions to comprehensive work positions.

■ **Trend (non-consolidated)**

	(persons)		
	March 2021	March 2022	March 2023 Plan
Special service positions (in transfer trial period)	4	3	7
Comprehensive work position transfers	0	1	2

*There is a two-year trial period for a career track transfer from general office work positions to comprehensive work positions (position = special service position).

■ **Acquired Kurumin certification**

As a company that supports childcare, YUASA TRADING received certification from the Minister of Health, Labour and Welfare (Kurumin certification) from 2019.

We will continue to take initiatives for all employees to be able to balance a fulfilling work and home life so that they can execute their abilities by constructing a workplace environment in which employees can work with a sense of ease.



■ **Initiatives to support raising the next generation (non-consolidated, directly employed)**

	(persons)			
	Employees who have taken childcare leave	Male employees who have taken childcare leave	Employees working shortened hours	Female employees balancing work and raising of children
FY2020	Total of 100	2	31	69
FY2021	Total of 117	2	35	81

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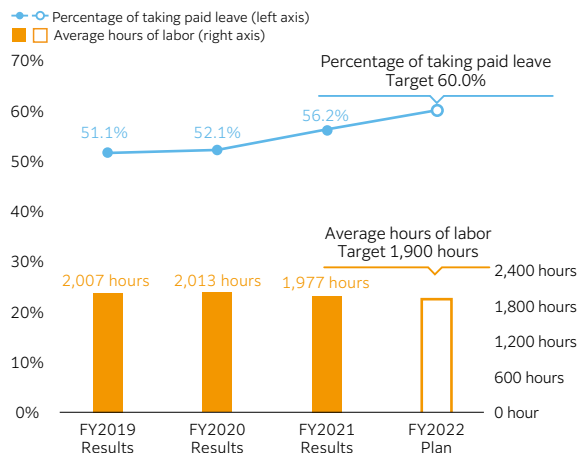
Initiatives to improve the ease of employee work

In health and productivity management

In health and productivity management, maintaining and promoting the safety and mental and physical health of employees is very important for each and every employee to maximize his or her individual skills. We have made a commitment to health and productivity management in order to realize the sustainable enhancement of corporate value.

Average hours of labor / Percentage of taking paid leave (non-consolidated)

	Average hours of labor	Percentage of taking paid leave
FY2021 Results	1,977 hours	56.2%



Realize productivity improvements and promote workstyle reforms

- Reducing average hours of labor
- Trends in hours spent in office by non-management employees

Average time of arrival / Departure (non-consolidated)

	FY2019	FY2020	FY2021
Average time of arrival	8:25	8:26	8:26
Average time of departure	18:34	18:25	18:29
Average time spent in office	9:08	8:58	9:02

Recognized as the “2022 Certified Health & Productivity Management Outstanding Organization”

Continuing from last year, YUASA TRADING was recognized for the fourth time as a “Certified Health & Productivity Management Outstanding Organization” in a system that awards major companies who execute excellent health and productivity management. This is awarded by the Ministry of Economy, Trade and Industry of Japan to promote the spread of health and productivity management.



Health and productivity initiatives (FY2021)

Regular health checkup rate	100%
Rate of registration on health and productivity management app	95.4%
Stress check rate	100%

Health and productivity management app —health points program

The Group employees who join the YUASA Health Insurance Association can use the health and productivity management app.

Employees accumulate points through daily health and productivity management, and accumulated points can be exchanged for the products they want.

Actions for which points are granted

- Reaching 6,000 steps a day
- Recording weight
- Having a health checkup
- Not smoking for at least a year
- Lifestyle habit challenges, etc.

Walking event

Held: May 2021 (5th time)
Participants: 82 teams (502 persons)



Respect for human rights

Human rights policy

Respect for human rights is one of the important elements in the Group’s business activities. Based on the Sustainability Declaration we announced in October 2021, we formulated the YUASA TRADING Group Human Rights Policy.

All officers and employees of the Group companies practice the human rights policy throughout our business activities. We also require our business partners, including suppliers, to respect and not violate human rights.

YUASA TRADING Group Human Rights Policy

1. Implementation of human rights due diligence
2. Remedial action
3. Education
4. Disclosure of information
5. Dialogue with stakeholders
6. Promotion system



Human Rights Policy

Ethics and Compliance Handbook

We distribute the handbook to all employees.



YUASA Labor Union

YUASA TRADING and the YUASA Labor Union stand on an equal footing with each other and have entered into a labor agreement based on impartial understanding and trust. The aim is to promote sound corporate development and improvement of the working conditions and environment of employees.