



Human Resources Management



Human Resources

The UBE Group considers employees its most important resource for supporting sustainable growth. Accordingly, one of our management policies prizes people. We formulated the UBE Group Human Resources Management Guidelines to motivate employees to do their best.



Details about the Group's human resources management and strategies are available on the UBE Group's website:
<https://www.ube-ind.co.jp/ube/en/sustainability/laborrights/laborrights.html>

Diversity and Inclusion and Workplace Reforms

We have committed ourselves to diversity and inclusion* to foster a creative, enterprising corporate culture. In 2013, we established a diversity unit to champion women's advancement by diversifying human resources while reforming work practices.

Addressing the Gender Gap

As of March 31, 2021, 8.4% of parent company employees were women, up from 8.1% a year earlier. Women represented 2.8% of our management pool, compared with 2.6% a year earlier. In fiscal 2019, we launched a three-year action plan based on the Act on Promotion of Women's Participation and Advancement in the Workplace. The plan encompasses the following three benchmarks to create work environments that empower women.
 (1) A paid vacation usage rate of 80% or more
 (2) At least 70% of eligible male employees taking childcare leave

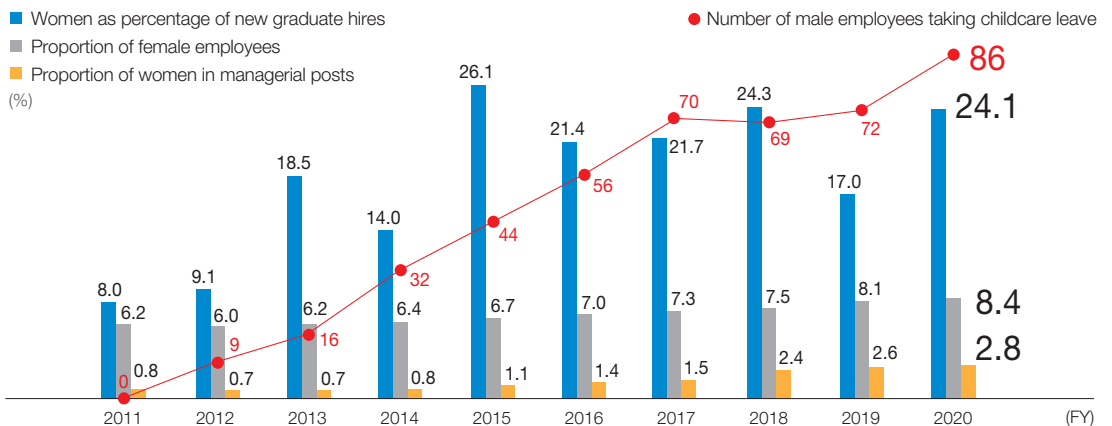
(3) Women representing at least 20% of new graduate hires for generalist positions

Our efforts thus far have enabled women to broaden their career horizons and become frontline employees in a range of workplaces. Most of our female employees return to work after maternity leave. As well, the number of male and female employees balancing childcare and professional commitments is rising each year.

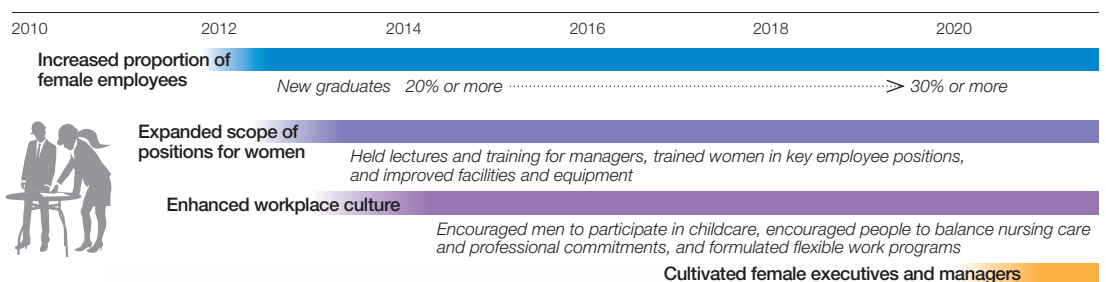
Hiring Breakdown

| Fiscal Year | Number of People | | |
|---|------------------|--------|---------|
| | 2018 | 2019 | 2020 |
| New graduate hires (Generalist positions) | 37 (9) | 47 (8) | 58 (14) |
| New graduate hires (Key employee positions) | 30 (2) | 56 (8) | 69 (10) |
| Mid-career hires | 57 (3) | 50 (6) | 18 (1) |
| Hires with disabilities | 2 (0) | 3 (2) | 1 (0) |
| Hires of non-Japanese nationals | 1 (1) | 1 (0) | 1 (0) |

Female Employee Activity Benchmarks



Women's Advancement Initiatives



* Diversity and inclusion: Accepting people from diverse backgrounds, recognizing and drawing on individuals' abilities, experiences, and ways of thinking

New Initiatives from Fiscal 2021

We formulated the following action plan to address delays in promoting women to executive and management positions. The Human Resources Department will augment these efforts by conducting career development interviews, undertaking

systematic rotations, and exchanging views with top management as part of efforts to bolster our Female Executive Development Program and accelerate appointments of female executives and managers.

Voluntary Action Plan to Promote Women to Executive and Managerial Positions

Diversity and inclusion underpins our management policies. We are striving to enhance work practice flexibility to cater to diverse personalities and values and hire more women, and offer them more opportunities to play active roles in our organization.

We formulated the following action plan to increase the proportion of female managers to 15% by the end of fiscal 2030.

- Appoint women to more than 30% of new graduate career-track positions
- Implement various measures to foster women’s career advancement
- Provide unconscious bias training
- Create climate that empowers women to expand their job scopes
- Bolster support programs for childbirth, childcare, nursing care, and other life events and make those programs easily accessible for all female and male employees alike
- Eliminate long working hours

Rehiring Retirees

We provide second career training for employees after they reach the standard retirement age of 60 so they can draw on their experience and skills and enable them to work anywhere internally and externally. We rehired 96.8% of new retirees in fiscal 2020.

Recruiting People with Disabilities

We set up the UBE Group Support Network for Employment of People with Disabilities. The Group endeavors to employ and retain these individuals by drawing on the expertise of Libertas Ube, Ltd., a special-purpose subsidiary.

Enhancing Work Style Reform

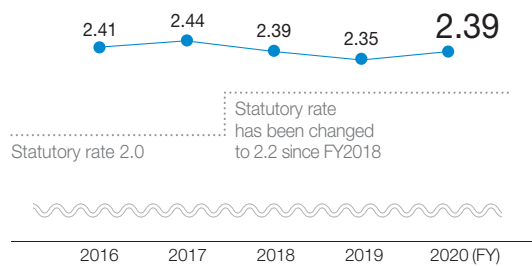
We strive to streamline efficiency by reviewing tasks from a range of perspectives, including through the use of ICT. At the same time, we are developing systems and environments that enhance work flexibility.

We will keep encouraging teleworking and web conferencing, which have proven effective in enhancing productivity while helping prevent the spread of COVID-19.

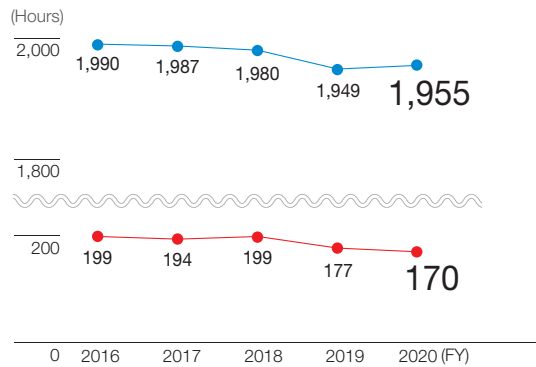
We set annual working hours targets through labor-management negotiation. In addition, we track monthly progress against targets for overtime and annual paid leave usage.

In fiscal 2020, total working hours and the annual paid leave usage rates deteriorated owing to several factors, including large biennial repairs of plant facilities, temporary workload spikes in response to the pandemic, and lower efficiency. For fiscal 2021, labor and management agreed to a target of 1,936 working hours, and will keep endeavoring to foster a healthy work-life balance. We constantly roll out new programs to help employees balance work and childcare and nursing care commitments.

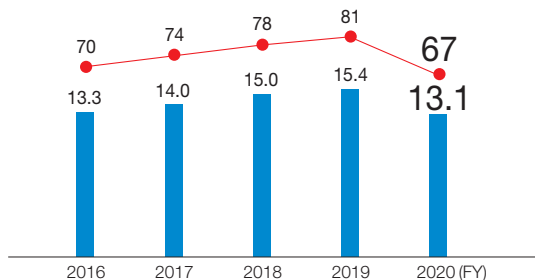
Percentage of Employees with Disabilities
(%)



Total hours worked
Overtime
(Hours)



■ Annual paid leave taken (Days) ● Ratio of annual paid leave taken (%)



Example support programs for balancing professional and private commitments

1. Full flextime with no core time
2. Shorter working hours owing to illness or for taking children to school
3. Annual paid leave in half-day or hourly units
4. Teleworking program
5. Rehiring program

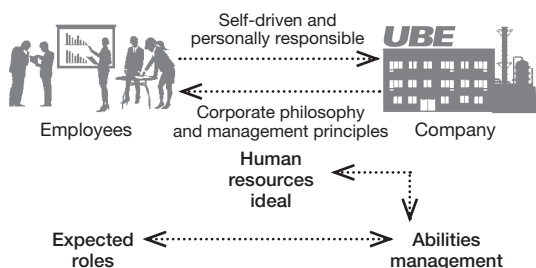
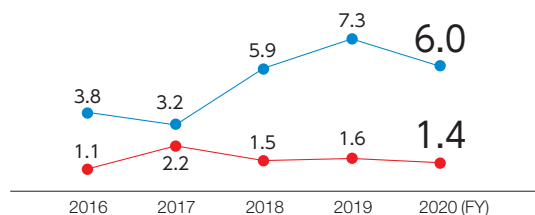
Nonetheless, recent years have seen more employees quit soon after joining, particularly those in key employee positions. We believe this stems from gaps between anticipated and actual work content and insufficient follow-up after people enter the Company. We are endeavoring to stem resignations by properly informing key employee position seekers while expanding a program that provides guidance and mental care after people become employees.

Personnel System / Human Resources Development

UBE encourages its people to be self-driven and hold themselves personally responsible for

Employee Turnover

● Employee turnover in first three years (%)
● Employee turnover (excluding retirement) (%)



pursuing results. This is in keeping with founding principles that champion responding to changes in the environment to constantly innovate technology and practice self-improvement. We maintain a personnel system in which we clarify what we expect of employees and fairly evaluate performances so all of them understand their missions and find fulfillment through work.

We revised our personnel systems for each job level in fiscal 2019 and 2020 to foster human resources development that encourages people to reach their goals and motivates them to perform better. While decreasing allowances such as for the portion based on age, we changed our evaluation and qualification systems to better emphasize performance and offered greater fulfillment by providing more opportunities for advancement and salary raises. We will reinforce our human resources development capabilities through a compensation system that rewards managers for their zeal in guiding and developing subordinates and successors.

Please visit the UBE Group's website for more information about human resources development and training initiatives.

<https://www.ube-ind.co.jp/ube/en/sustainability/laborrights/laborrights.html>

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Employees undergoing training with prevention measures against COVID-19