



# Employee Relations

Relevant SDGs



Ideal image for 2025

Our efforts to promote diversification of working styles in a manner that makes use of diverse human resources will culminate in rewarding workplace environments where it is possible to create new forms of value by maximizing the abilities of each and every employee.

## PLAN & CHECK //

### Fiscal 2021 targets and assessments

Achievement

- Cultivate human resources
  - Redouble recruiting efforts
  - Radically revise education system
- Promote healthy and productivity management
  - Reduce annual total working hours
  - Improve the percentage of scheduled medical examinations received
  - Reduce opportunities to smoke
- Promote diversity
  - Redouble efforts to appoint women to planning group positions (career-track positions)
  - Implement human rights due diligence
- Improve work environments
  - Coordinate and develop productive work environments

★★★★ Target achieved; ★★★ Target partially achieved; ★ Target not achieved

### Fiscal 2022 targets

- Cultivate human resources
  - Satisfy the necessary personnel
  - Redouble efforts to recruit new graduates
  - Radically revise education system
- Promote healthy and productivity management
  - Reduce annual total working hours
  - Promote health management and reduce health risks
- Promote diversity
  - Increase the percentage of women in management
  - Increase the employment rate of people with disabilities
  - Promote active participation by elderly people
- Improve work environments
  - Coordinate and develop productive work environments
  - Promote various work styles



## DO //

### Realizing Rewarding Environments

The Furukawa Company Group is undertaking various reforms to realize healthy, rewarding environments for diverse human resources and improve labor productivity and creativity by facilitating the growth of each and every employee.

#### Three Issues and Considerations for Realizing Rewarding Environments

Developing human resources and using them properly	Developing diverse human resources in response to factors such as their length of service, position, job description, and abilities; putting the most capable employees in the right positions regardless of what track they are on; establishing challenging individual targets; and proper evaluation
Work-style reforms to increase productivity	Improving working environments such as Automate and computerize operations, shorten meetings, effectively manage meetings; aptly applying various working conditions (flextime systems, teleworking, adopt discretionary work systems; and reform of mindsets toward improving operational efficiency
Establishing healthy workplaces	Reducing annual total working hours, improving the percentage of paid annual leave taken, improving the percentage of scheduled medical examinations received, actively implementing health promotion activities

#### Creating a Comfortable Work Environment

We have been promoting initiatives that help employees maintain their health and achieve positive work-life balance by enabling them to reduce their overtime and take a greater proportion of their paid annual leave.

	Targets	Fiscal 2021 results
Monthly extra working hours	15.5 hours	15.2 hours *Non-managerial employees
Percentage of paid annual leave taken	60%	61.6% *Same as above
Annual total actual working hours	Less than 2,000 hours	1,952 hours *Same as above
Rate of medical examinations received	100%	100% *All employees

#### Initiatives in Fiscal 2021

- Established days on which employees are encouraged to take paid annual leave, encouraged employees to take paid leave if they had taken fewer than five days
- Introduced teleworking and expanded application of the flextime system
- Considered creating teleworking environments for salespeople
- Reduced meetings and recommended online meetings

### Promoting Diversity

#### Empowering the Female Workforce

We have been focusing its efforts on actively recruiting and employing female talent. To such ends, based on our Action Plan for Promoting Support for Female Employees, we have been expanding systems geared to empowering our female employees.

#### Action Plan for Promoting Support for Female Employees (April 1, 2021 to March 31, 2026)

Target No. 1	Ensure that women account for at least 20% of all new graduate recruits
Target No. 2	Appoint at least 10 female managers
Target No. 3	The rate of resignation for personal reasons within five years of joining the company among women in planning group positions 10% or below
Target No. 4	Encourage employees to take paid annual leave at an average rate of 12 days per person per year

#### Support for Employees Raising Children

We have expanded our support systems for employees who are raising children in part by making a greater range of employees eligible to use our various programs addressing childcare needs, and by providing paid leave to cover some time taken off to care for infants and toddlers. We also encourage male employees to take parental leave so that they might also have opportunities to participate in child rearing.

## ACTION //

[Comment from a Responsible Department] Overview of Fiscal 2021

Atsushi Takano

Senior Executive Officer, General Manager, Human Resources & General Affairs Department



### We will create workplace environments that employees find rewarding complete with fair performance evaluations and incentives.

One of our policies geared to achieving our Vision for 2025 is to enhance our human resource foundations with a focus on cultivating human resources, promoting health and productivity management, promoting diversity, and improving work environment. In order for the Furukawa Company Group to remain indispensable to society well into the future, our employees must remain one step ahead with respect to achieving swift transformation and growth, in alignment with the changing times. As such, we will help our employees grow by flexibly adopting new employment options geared to embracing diverse personalities, values and living arrangements, and by creating work environments that help give rise to greater creativity.

#### Hiring People with Disabilities

We hire people with disabilities at various workplaces and for various types of work, thereby promoting their independence and participation in society.

#### Hiring Foreign Nationals

Given its active pursuit of overseas expansion, the Furukawa Company Group does not base its recruiting decisions on nationality. Moreover, we strive to deepen partnerships that transcend nationality as we promote a spirit of mutual respect for individual differences.

#### Extending the Mandatory Retirement Age

As of April 1, 2020, the mandatory retirement age at Furukawa Co., Ltd. was increased from 60 to 65, and human resources systems, wage structures, and severance pay systems were radically revised. These changes create environments that help employees stay motivated, and boost the development of middle-aged and young employees and the passing down of skills by elderly employees.

Visit the following site for more information about employee data  
[https://www.furukawakk.co.jp/pdf/CSR/e/csr\\_18.pdf](https://www.furukawakk.co.jp/pdf/CSR/e/csr_18.pdf)

### Respect for Human Rights

#### Harassment and Discrimination Prohibited

The Furukawa Company Group prohibits all forms of harassment and discrimination, premised on our commitment to recognizing the diverse values of individuals and accordingly creating a rewarding corporate culture absent of human rights violations and discrimination, where individuals are evaluated fairly. Moreover, we resolutely take action against harassment and discrimination based on our internal rules.

#### Training on Human Rights

The Furukawa Company Group has established a code of behavior calling for its employees to respect basic human rights

and refrain from using discriminatory language, and accordingly has all of its new employees take part in human rights training. Additionally, employees who take part in our employment hierarchy-specific training undergo in-house training pertaining to workplace harassment and other efforts to create pleasant work environments and learn from case studies of specific developments that have given rise to human rights violations.

### Cultivating Human Resources

#### Basic Approach

Premised on its fundamental policy of "what supports limitless development of a company is people," the Furukawa Company Group employs talented individuals who will actively take on all challenges, while striving to recognize the diverse values of individuals and accordingly creating a rewarding corporate culture absent of human rights violations and discrimination, where individuals are evaluated fairly.

#### Development of Human Resources

We seek to optimize the Group's business framework and maximize its corporate value by developing professional talent and creating work environments that enable employees to exercise their abilities to the fullest.

#### Employment Hierarchy-specific Training

Our employment hierarchy-specific training helps employees develop the ability to address societal changes while acquiring basic knowledge necessary for their respective positions. The extensive training program is organized by level of the employment-hierarchy, encompassing newly hired, second year, third year, fifth year, eighth year, and tenth year employees, newly appointed managers, and section managers. The training program for newly hired employees incorporates training pertaining to the Ashio Copper Mine's history, antipollution measures, present status of safety management, and afforestation initiatives.



# Employee Relations

## ● Training Tailored to Areas of Expertise and Occupations

We implement training tailored to employees' areas of expertise and professional qualifications, thereby enabling them to gain extensive knowledge and acquire specialized skills in their respective fields. Meanwhile, we actively encourage our employees to participate in external seminars on specialized subjects, and to gain public qualifications. We also endeavor to develop professional talent equipped with extensive knowledge of cutting-edge technologies and social trends by supporting their involvement in educational organizations and academic societies outside of the workplace.

## ● Personnel Evaluation System

On July 1, 2019, we adopted a role grade system whereby an employee is assigned a grade based on the importance of the role he or she is expected to fulfill. To such an end, we have discontinued our previous system of assigning grades based on professional qualifications. The new role grade system is the basis of our personnel evaluation system, which we use to evaluate employees' job performance, achievement of targets, motivation, and proficiency to guide, cultivate, and develop their potential as well as ensuring their appropriate job placement, all in an effort to establish environments in which motivated employees can flourish with a sense of security.

## ● Communication to Facilitate Training of Subordinates

Interviews are conducted between immediate supervisors and their subordinates on a twice yearly basis, in addition to the daily communication that takes place between managers and their employees. The interviews enable managers to furnish feedback to employees regarding their work, achievements, points of self-reflection, and findings of performance evaluations. Upon having reviewed specifics of employee self-assessments, managers then also furnish advice to employees, verify targets that have been established, and share details in that regard. Meanwhile, supervisors also provide their assessments with respect to the self-analysis. The process of undergoing straightforward performance assessments by their supervisors enables employees to scrutinize themselves on a regular basis, thereby helps fuel their motivation to pursue further personal development.

## Employee Health Management

### ● Promoting Healthy Management, and the Group's Health Declaration

The Furukawa Company Group views the management of employee health in terms of business management, and is devoting energy to healthy management for the purpose of improving performance by reinvigorating the organization through efforts such as improving vitality and productivity. On January 1, 2021, the Group issued a Health Declaration, in which we published even more proactive measures to maintain and improve the health of our employees.

### ● System and Measures

As specific efforts to promote healthy management, we are managing employee health through medical examinations and other efforts, and implementing various measures to promote employee health.

## ● Target Achievement: 100% Scheduled Medical Examination Rate

We proactively urge all employees to undergo scheduled medical examinations, and each and every one of them did in fiscal 2021 (Examination rate: 100%).

## ● Preventing Second-Hand Smoke

We safeguard our employees from the effects of second-hand smoke by setting up separate smoking areas as stipulated under Japan's Health Promotion Act. We are also considering banning smoking during working hours in order to prevent third-hand smoke and inspire smokers to quit.

## ● Collaborative Health and Data Health

Furukawa Co., Ltd. and the Furukawa Health Insurance Society are working together to plan and consider effective measures based on analysis of medical examination data (status of documented health conditions, etc.). The results of the analysis are also discussed with labor unions, and considerations are underway for joint planning and implementation of various measures.

## ● Mental Healthcare

We will engage in preventative measures with respect to employee mental health. This will involve setting specific targets geared to ensuring that the company is a safe and pleasant place to work, while striving to maintain positive mental health based on our Mental Health Promotion Plan. Meanwhile, we will strive to help employees who are struggling with mental health issues return to work. This will involve coordinated efforts enlisting occupational physicians, personnel and labor affairs representatives, and supervisors, and will furthermore entail our working in conjunction with specialized institutions and medical specialists from outside the Group.

## TOPICS

Recognized as a 2021 Certified Health & Productivity Management Outstanding Organization in the Large Enterprise Category (White 500)

Furukawa Co., Ltd. was recognized as a 2021 Certified Health & Productivity Management Outstanding Organization in the Large Enterprise Category for its efforts with respect to strategically carrying out initiatives with regard to its employees' health from a management perspective, based on findings of the Certified Health & Productivity Management Outstanding Organizations Recognition program implemented by Japan's Ministry of Economy, Trade and Industry (METI).



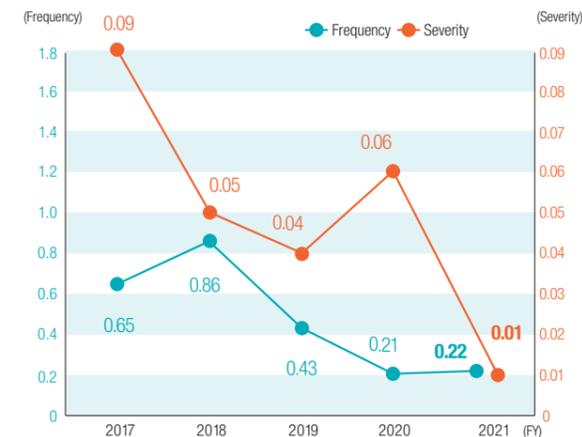
## Occupational Safety and Health

### ● Initiatives to Prevent Work-related Accidents

To prevent work-related accidents, the Furukawa Company Group regularly holds Safety and Health Committee meetings and carries out safety patrols at its respective works and business sites. We also implement systematic training and training tailored to our employees. When it comes to education, personnel who are in charge of safety and health verify the content of training and offer guidance to ensure that training upon hiring and when duties change, special training, factory manager training, and other types of training are provided systematically. We are also enhancing our guidance of personnel who are in charge of safety and health and other employees by systematically implementing risk assessment and regularly revising work procedures and content in an effort to reduce potential risks in the workplace.

In fiscal 2021, the severity significantly improved, although the frequency of occupational accidents remained almost the same level. We are committed to intensifying safety activities toward the elimination of unsafe conditions and behaviors toward our goal of zero accidents and disasters.

### ● Occupational Safety Record of the Furukawa Company Group: Frequency and Severity of Accidents



### ● Number of Incidents Requiring Leave of Absence in the Furukawa Company Group

	FY2017	FY2018	FY2019	FY2020	FY2021
Number of incidents requiring leave of absence	3	4	2	1	1

Notes: 1. Accident frequency refers to the rate of occupational accidents with casualties per one million total working hours.  
2. Accident severity refers to the number of working days lost per 1,000 total working hours.  
3. Frequency and severity are calculated on the basis of incidents requiring leaves of absence of at least four days.

### ● Occupational Safety and Health Activities

When accidents or disasters occur at any of the Group's works or sites, the Environmental & Safety Management Department visits each location and works with the responsible people there to provide direct safety guidance with the aim of preventing recurrence.

On these visits, the department also checks with cooperating affiliates at the site to ensure that their training is sufficient and the

management systems at their works are free of problems, all in an effort to prevent recurrence.



Safety guidance during an on-site inspection (Osaka Works of Furukawa Chemicals Co., Ltd.)

### ● Safety Patrols

Each of the Group's works and sites has intensified workplace safety patrols in an effort to eliminate accidents and disasters. In addition to patrols conducted by the leaders and people responsible for safety management at each place of business, members of the Safety and Health Committee conduct safety patrols, and other patrols are conducted to check for the existence—or even the risk—of unsafe behavior or conditions of the workplace.

If unsafe behavior or conditions are discovered, photographs are taken, the behavior or conditions are corrected and guidance is provided immediately, and Safety and Health Committee meetings and other opportunities are taken to spread the information among everyone at the place of business.



Safety patrol (Sakura Works of Furukawa Unic Corporation)

### ● Instruction on Safety at Overseas Business Locations

At our overseas business locations, we conduct legally mandated annual inspections of facilities as well as investigations of the status of safety training, emergency contact networks, acquisition of official certifications, implementation of Safety and Health Committee meetings and safety patrols, and more. We also provide guidance and advice with the aim of achieving safe, comfortable work environments and improving the level of management in light of local laws as well as factors such as climate.