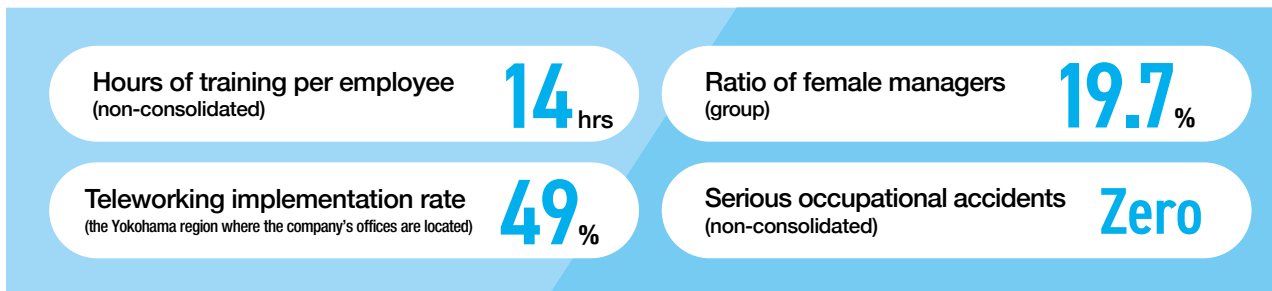


# Human Capital and Respect for Basic Human Rights

## ● Performance Against Materialities / KPIs (FY2022)



At YAMASHIN-FILTER, we focus effort on the human resource hiring and training that are at the core of achieving our strategy of worldwide expansion and business diversification. In conjunction with this work, we make diversity a fundamental part of our efforts to secure human resources, and execute management with respect for the human rights of all people.

### Approach to Securing Human Resources

- Development of the next generation of leaders through selection of high-potential personnel and 360-degree assessment
- Systematic training of future management candidate personnel
- Building a system for recruitment and development of junior human resources aimed at optimal human resource allocation
- Consider outsourcing as a means of compensating for human resource shortages

## ● Human Resource Development

Diversification of business operations and further global expansion presents us with a crucial management issue, the systematic development of next-generation leadership, including potential candidates for executive posts. As a company that keeps our functions from development to production and sales in-house, we face the challenge of passing on our development methods, production technologies, etc. Acknowledging this, our human resources and business divisions work together under the leadership of top management to move forward with human resource recruitment and development.

### Human Resource Development Initiatives for the Next Generation

We are implementing executive (and executive candidate) talent management, motivation-boosting measures, the appropriate matching of personnel to assignments based on evaluations of potential, elimination of the seniority system through appropriate personnel evaluation, introduction of a global matrix for overseas group managerial personnel evaluations and personnel system optimization, job rotation, and regularly scheduled rank-based training.

#### Training for directors and executive officers

Within one to two years after taking up an executive officer position, participation in external training to gain capabilities for the creation of management metrics, etc.

#### Managerial position training

Training on compliance and harassment prevention, and labor management training that forms the basis for taking on managerial positions, as well as hands-on training for division managers, including discussions based on lectures from management.

#### Morning sessions

Hands-on training on business skills such as how to effectively show documents and give presentations.

#### New employee training

Business etiquette and other basic training for professional development, product and technology training to gain a deeper understanding of our company, and manufacturing training at plants, etc., conducted over the course of one and a half months.

### Human Resource Development Initiatives for Generational Technology Transfer

#### ● Training Results (Non-consolidated)

	Unit	FY2021	FY2022
Total training hours	Hours	2,310	2,688
Hours of training per employee (average hours)	Hours	12.2	14.0
Days of training per employee (average number of days)	Days	5.4	6.1