Fostering Talent to Achieve Corporate Growth

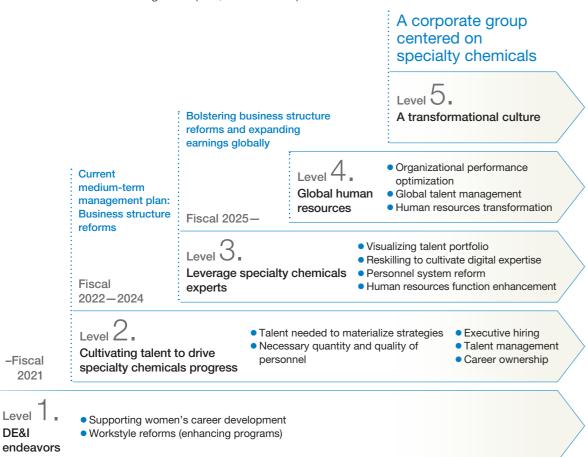
We have made diversity, equity, and inclusion (DE&I) central to attaining our Vision for 2030 goals. We will foster innovation by integrating diverse technologies, knowledge, and perspectives to expand globally and create new value. We will also endeavor as a group to enhance work engagement.

We will define and execute a management strategy-aligned human resources strategy to become a specialty chemicals company.

Hideo Tamada Representative Director, Senior Managing Executive Officer, CRO, CCO, in charge of Risk Management Dept., Human Resources Dept., General Affairs Dept., and Legal Dept.

Talent Strategy for Becoming a Specialty Chemicals Company

We have formulated a five-level talent strategy to undertake initiatives that drive our transformation into a company focusing on specialty chemicals. We are accordingly recruiting and training talent under our current medium-term management plan, which corresponds to Level 2.



UBE's Talent Strategy

In order to foster a more innovative corporate culture in which employees can take control of their own careers, we will identify gaps in the required skill-sets of our employees and offer the appropriate training and career paths as necessary steps in attracting diverse talents and those who will contribute towards our focus on specialization.

Our DE&I Policy

-Fiscal

Level

DE&I

2021

Because we aim to become a specialty chemicals company, we know that we have to integrate diverse technologies, expertise, and perspectives to foster innovation so we can overhaul our corporate culture and drive that transformation. We are

accordingly fostering gender equality, stepping up recruiting of talented individuals who can hit the ground running, and improving job satisfaction by reviewing our work structure for senior employees. We are also broadening career opportunities for individuals with disabilities.

We conduct surveys and enhance opportunities for dialogues to better understand the needs of individuals while expanding our support programs. This is because we prioritize equity and want our people to flourish. We consider it important for managers to be more inclusive leaders so diverse employees can harness their talents and do well. We thus train managers to enhance their career interview skills, better understand work-life balance programs, and ensure psychological safety in workplaces.

Providing Greater Opportunities for Women

We are aiming to attain gender equality, which is a top priority, by setting targets for the percentages of women in management positions and in our workforce. We encourage female employees to be involved in decision-making by increasing the number of female line managers and to take part in recruiting and promotion interviews to reflect diverse perspectives. We recognize that women tend to undertake more unpaid work to care for their families, which impedes their career advancement. We thus provide e-learning about unconscious bias and endeavor to cut total working hours while expanding work-life support programs

for all employees. We additionally encourage men to take parental leave.

Shortages of women with science, technology, engineering, and mathematics skills are a social issue. We strive to increase the number of female employees with such proficiency by collaborating with educational institutions and neighboring businesses. One initiative in which we take part in this regard is a Yamaguchi University consortium to accelerate diversity.

Wage gaps between men and women (Parent company)

Category	(Ratio of female to male wages)
All workers	78.8%
Regular workers	79.4%
Contract workers	55.8%

- Disparities come from underrepresenting women in management-level regular and contract worker positions, so we are striving to hire and advance them.
- Many women in regular worker positions do not do shift work, leading to wage gaps from not getting shift and late-night allowances.

Priority Measures (FY2024 Targets)

1 Providing greater opportunities for women Percentage of women in the workforce: 15% Percentage of women in management positions:

2 Mid-career hires and non-Japanese national hires

Percentage of mid-career hires (Generalist positions): 50% or more*

Non-Japanese national hires (Generalist positions): Multiple people*

- 3 Introducing specialist system, hiring highly specialized mid-career recruits, and enhancing measures for rehired retirees
- 4 Creating comfortable, motivating workplaces, and increasing employee satisfaction

Percentage of male employees taking childcare leave: 100%* Average childcare leave taken: 15 days

(Average FY2022-FY2024 (Parent company)) Total hours worked: 1,900 hours (KPI for FY2025 (Parent company))

Progress (FY2022 Results)

1 Providing greater opportunities for women

Percentage of women in the workforce: 14.4% (FY2021) ⇒ 15.0% (FY2022)

Percentage of women in management positions: 3.3% (FY2021) ⇒ 4.1% (FY2022)

2 Mid-career hires and non-Japanese national hires

Percentage of mid-career hires (Generalist positions): 37.3% (Consolidated basis in Japan) 40.0% (Parent company) (FY2022)

Non-Japanese national hires in new graduate recruits (Generalist positions): Two (Consolidated basis in Japan) Two (Parent company) (FY2023)

- 3 Increased timely recruitment of highly skilled and workready personnel in line with business strategy, and revised re-employment system for rehired retirees based on surveys and opinion exchanges.
- 4 Creating comfortable, motivating workplaces, and increasing employee satisfaction

Under the Certified Health & Productivity Management Outstanding Organizations Recognition Program, one Group company has been selected as a Bright 500 company, and seven Group companies have been recognized as excellent corporations.

Percentage of male employees taking childcare leave: 97.2% (FY2022)

Average childcare leave taken: 10.1 days (Parent company)

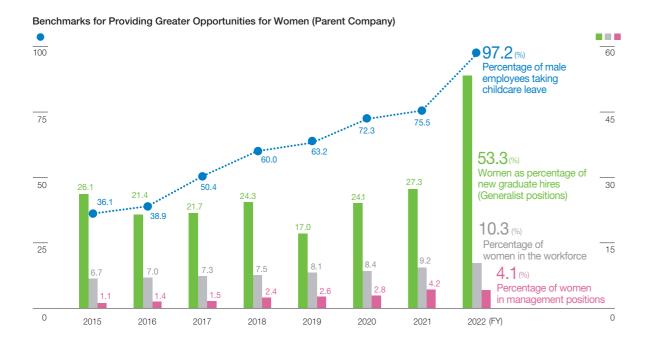
* Partially revised indicators from when formulating the medium-term management plan

Double mid-career recruiting ratio for generalist positions to more than 50% to secure more highly talented and work-ready people to align with transformation into a specialty chemicals company

Increase the percentage of non-Japanese nationals hired for generalist positions from a target of more than 5% to commit to expanding multiple individuals (lift recruiting to overhaul corporate culture through DE&I efforts and global business expansion) Percentage of male employees taking childcare leave: More than 75% ⇒ 100% (FY2022 result: 97.2%)

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● Building Value to Materialize Sustainable Growth



Recruiting Specialists

We have committed to hiring diverse people to become a specialty chemicals company that contributes to people's lives and health and an enriched future society. We systematically hire new graduates and experienced individuals while recruiting non-Japanese nationals.

In fiscal 2022, mid-career professionals accounted for 37.3% of hires for generalist positions in Japan on a consolidated basis. This resulted from efforts to strengthen timely recruiting and secure specialists with immediately deployable capabilities in line with our business strategies.

We doubled our target percentage for mid-career generalist hires to at least 50% for fiscal 2024 under our medium-term management plan. We will keep recruiting specialists.

Hiring Breakdown (Parent company)

	Number of People (Number of women in parentheses)		
Fiscal Year	2020	2021	2022
New graduate hires (Generalist positions)	58 (14)	33 (9)	15 (8)
New graduate hires (Key employee positions)	69 (10)	36 (7)	32 (0)
Mid-career hires	18 (1)	13 (3)	34 (9)
Hires with disabilities	1 (0)	1 (0)	6 (2)
Hires of non-Japanese nationals	1 (0)	2 (1)	_

Career Development

We are enhancing investments in people to cultivate talent that can achieve growth and drive innovation. Even during the COVID-19 pandemic, we prioritized enhancing internal communication by

providing some in-person training to augment largely online sessions to boost efficiency and optimize effectiveness. We draw on external e-learning services for job level-specific training to foster a culture in which employees keep growing by taking ownership of career development.

	(Parent company)
Investment in off-the-job training per person*1	¥120,000
Training hours per person*2	17

*1 Calculation methodology: (Total education and training expenses + Labor costs for department overseeing training) / Number of employees on non-consolidated basis (as of fiscal 2022 year-end)

*2 Calculation methodology: (Total hours of group training + Total hours of e-learning) / Number of employees on non-consolidated basis (as of fiscal 2022 year-end)

Diverse, Flexible, and Efficient Work Practices

We maintain a work and vacation structure that encourages diverse work practices. We are progressing steadily in cutting total working hours, targeting 1,900 hours per person in fiscal 2025. For fiscal 2023, labor and management agreed to a target of 1,915 hours. We share monthly results with all employees as part of our efforts.

In October 2022, we published a handbook to help employees balance their professional and personal commitments. It pres-



EV2022

ents support programs for balancing work with childbirth, childcare, nursing care, and medical treatment. It provides user-friendly information on these programs. We foster understanding among supervisors and peers by providing training for managers and opportunities for safety and health committee lectures.

In April 2023, we rolled out a program that allows employees to take leave for personal injury or illness, nursing care, childcare, volunteer work, infertility treatment, personal and family anniversaries, and life events. Workers can use the program as a safety net when life's emergencies arise, making it easier for them to take annual paid leave.

We foster flexible and efficient work practices by maintaining our telework and flexible work-hour programs. The downside is that communication issues have arisen owing in part to the pandemic. We are accordingly striving to create work environments that enhance productivity while ensuring the psychological safety of employees by encouraging them to come to our work sites at least twice weekly and use cameras during online meetings.

Increasing Job Satisfaction

Our efforts thus far have resulted in positive work environments. We will undertake initiatives that improve job satisfaction and work engagement.

We maintain a setup in which employees prepare annual career development sheets to explore career plans through interviews with supervisors.

We offer employees opportunities to transfer

internally to other positions and pursue new career paths.

In April 2023, we set up an in-house career consultation office that enables employees to shape their own careers with assistance from consultants.

We also train managers in improving their interviewing skills and organizational work engagement.



Employees Supporting Growth



I consolidate information on the performance and investments of the Performance Polymers & Chemicals Div., and engage in management and improvement. I find my work fulfilling because it occasionally contributes to business decisions. My experience in studying for an MBA internationally has proven valuable when engaging directly with offices overseas to get insights into management situations and explore solutions. Having taken maternity leave for around a year, I use UBE's shortened working hours, flextime, and telecommuting programs. The understanding and cooperation of colleagues has enabled me to continue my career.

While I work with few other women, I have never found it hard to do my job here. I find that I have actually had many opportunities to get support. I consider restructuring the chemicals business a personal responsibility, and will remain committed to my job.

Sakura Nitta

Business Management Group, Business Planning & Management Dept., Performance Polymers & Chemicals Div.

Joined UBE in 2012: Worked in cost controls at a factory. Worked thereafter in management at the nylon business. Studied at University of Cambridge Judge Business School. Then worked in sales and management for fine chemicals business, took maternity leave, and is now in management for the Performance Polymers & Chemicals Div.

I joined the Research and Development Div. in 2020 as a mid-career life science professional. I lead a team that is developing a novel cell culture system employing UBE's proprietary 3D substrates. I enjoy collaborating with experts from diverse fields in crafting new products to create value for the future. I ultimately aim to launch a biopharmaceutical business that harnesses 3D cell culture substrates. I accordingly approach my daily tasks with a

strong sense of responsibility, with my eyes on tomorrow. All of my team members are women. I seek to offer better work–life balances and create work environments in which women can do well.

Joined UBE in 2020 after previously working for a medical devices manufacturer: Currently works in the Life Sciences Research Group of the Future Tech Laboratory

Kayoko Semura

Life Science Research Group, Future Tech Laboratory, Research & Development Div.



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