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### **Human Rights and Labor**

## Respect for Human Rights

#### **UBE Group Human Rights Guidelines**

The UBE Group is committed to respecting human rights across all of its corporate activities. We comply with national and regional laws, regulations, and social norms in keeping with the globalization of our activities. We support and respect international standards on human rights including the Universal Declaration of Human Rights and ILO Declaration on Fundamental Principles and Rights at Work. We rapidly identify, prevent, mitigate, and appropriately remedy negative impacts on human rights from our corporate activities in order to meet our social responsibilities as a corporation.

#### Positioning of These Guidelines and Scope of Application

These guidelines are consistent with the United Nations Guiding Principles on Business and Human Rights. Together with the UBE Group Action Guidelines, they guide our human rights efforts across our corporate activities, which are based on the UBE Corporate Philosophy and UBE Management Principles. These guidelines apply to all officers and employees of the UBE Group. We also ask all of our business partners, the entire supply chain, and all other parties involved in our business activities to conduct themselves according to the principles of these guidelines and respect human rights.

#### Respect for Human Rights

We respect for fundamental human rights of all persons and endeavor to help people live in peace and security. Furthermore, we ask all stakeholders of our business to respect and not infringe upon human rights, in order to avoid indirectly contributing to human rights infringements.

#### **Prohibiting Discrimination**

We prohibit discrimination in all of its forms including based on gender, nationality, ethnic background, race, disability, health condition, age, social status, home environment, religion, faith, gender identification, sexual orientation or type of employment.

#### **Prohibiting Harassment**

We prohibit harassment in any form that violates the dignity of individuals including sexual harassment, harassment involving abuse of power, and harassment against pregnant employees.

#### **Rights of Workers**

We respect the basic rights of workers including the freedom of association and right to collective bargaining. We do not tolerate forced labor or child labor in any form. We also comply with the laws and regulations that apply in the countries and regions in which we operate and engage in responsible labor practices including ensuring occupation health and safety in workplaces, fair and appropriate wages that take a living wage into account, and proper management of working hours.

#### Education

We implement suitable human rights education to ensure that all officers and employees properly understand and are aware of human rights.

#### Human Rights Due Diligence

In order to meet our responsibility to respect human rights, we identify adverse impacts on human rights our corporate activities could have, based on the approach for human rights due diligence described in the Guiding Principles on Business and Human Rights. We implement initiatives to prevent and mitigate adverse human rights impacts, and endeavor to undertake suitable and effective remedies if adverse human rights impacts arise from our corporate activities. We also work to correct adverse human rights impacts that arise in supply chains.

#### Addressing Human Rights Infringements

If a human rights infringement is discovered, we promptly remove the source of the infringement on human rights and undertake corrective countermeasures or cooperate on countermeasures with support from within and outside the Group. To ensure that we rapidly identify and correct human rights issues, we suitably operate grievance mechanisms and continually develop effective mechanisms.

#### Engagement

We utilize specialized knowledge on human rights from within and outside the Group in various ways, and continually engage in dialogue with stakeholders on human rights issues that surround the UBE Group, seeking to advance our human rights initiatives.

Masato Izumihara
President and Representative Director
UBE Corporation

#### **Respecting Human Rights**

The UBE Group Action Guidelines state our respect for individuals, fostering mutual understanding, and eliminating discrimination based on gender, nationality, race, disabilities, age, social status, religion, beliefs, or sexual orientation. In addition, the Group will refrain from all inhumane practices including forced labor, child labor, and human trafficking, as well as refraining from having any ties with individuals and organizations that are involved in such practices.

#### **Human Rights Training and Education for Employees**

We created a Groupwide framework to educate employees about human rights based on the UBE Group Human Rights Guidelines. We ensure that all employees understand and embody our stance on human rights in all aspects of business by providing ongoing training.

In fiscal 2022, all UBE Group operations in Japan conducted an e-learning initiative marking Human Rights Week to showcase the topics of business and human rights and human rights due diligence and our initiatives. We also conducted a survey to identify areas in which employees perceive that there are human rights risks.

Human Rights Training Sessions in Fiscal 2022

Initiative	Times held	Participants
e-learning	1	6,794 (Domestic Group operations, including directors)
New employee training	1	47 (Parent company)
Job-specific training	1	310 (Parent company)

#### **Compliance Hotline for Human Rights Issues**

In cases where a human rights infringement is revealed through <u>internal reporting</u>, business reports, or other channels, the UBE Group takes prompt action to correct the situation and administers the appropriate internal discipline. In addition, the Group reports such cases to management and disseminates this information throughout the Group to improve its efforts to ensure respect for human rights and to prevent recurrence. In fiscal 2022, there have been no cases of serious human rights infringement, such as those that could involve criminal penalties, involving UBE Group companies or their employees.

#### **Human Rights Initiatives in Supply Chains**

The UBE Group Sustainable Procurement Guidelines, which include measures to address human rights, apply to all Group business partners, in order to ensure that human rights are respected throughout the entire supply chain. The Guidelines clearly state that the Group will not tolerate any inhumane acts, including forced labor, child labor, and human trafficking.

In accordance with these guidelines, the Group assesses risks from the perspective of CSR by <u>conducting regular surveys of its</u> <u>major business partners</u>. The Group also works with business partners to address such human rights issues as labor conditions and the risk of human rights infringement.

The fourth business partner sustainability surveys revealed that suppliers have implemented a certain level of initiatives and measures pertaining to the human rights issues covered by the survey.

For more information, see Supply Chain Management and Results of the Fourth Survey of Business Partners on ...

#### Support for the UN Global Compact

The UBE Group signed the United Nations Global Compact in April 2021, and continues to uphold its principles.

The Group also joined the Global Compact Network Japan to further enhance its human rights protection efforts by participating in two subcommittees led by member organizations: the Human Rights Due Diligence (HRDD) Working Group and the Human Rights Education Working Group.

# Announcing Our Support of the "My Jinken Declaration" (Declaration of Human Rights) Project Advocated by the Ministry of Justice

In August 2021, UBE announced its own "My Jinken Declaration" (Declaration of Human Rights), supporting the "My Jinken Declaration" project advocated by the Ministry of Justice.

The ministry's "My Jinken Declaration" initiative aims to realize a society in which everyone respects human rights. To this end, this initiative encourages various entities, including business corporations, and individual citizens to publicly declare their commitment to respecting human rights and to take action in keeping with such commitment.

Currently, the UBE Group is striving to "Continue to Create Value for All Stakeholders" in line with "Vision UBE 2025," in which the Group defines its ideal with regard to what it must look like in 2025. With this in mind, we have also established the "UBE Group Human Rights Guidelines." These guidelines are based on the UBE Corporate Philosophy and UBE Management Principles and designed to ensure respect for human rights throughout the course of all our business activities.

Looking ahead, we will respect the human rights of all who come into contact with the UBE Group as part of proactive efforts to fulfill our corporate social responsibilities.





President & Representative Director Masato Izumihara

"The UBE Group has positioned respecting human rights as a fundamental rule guiding its corporate activities. In step with the globalization of our business operations, we are ever more conscious of maintaining compliance with laws, regulations and social norms in countries and regions in which we operate. At the same time, we support and honor international norms associated with human rights, such as the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.

Furthermore, we are committed to ensuring the early identification, mitigation and prevention of incidents that exert a negative impact on human rights in the course of our business activities and to otherwise undertaking proper measures to protect human rights. In these ways, we will fulfill our responsibilities as a good corporate citizen."

#### **Human Rights Due Diligence Progress**

We endeavor to identify, prevent, and address any human rights infringements in our activities. We will deploy a PDCA cycle through and beyond 2024 based on the following process.

#### Progress in Fiscal 2022

#### Human Rights Due Diligence Progress through Fiscal 2022

Specific Initiatives	Results and Future Initiatives
Surveyed human rights risks of 18 domestic and 21 overseas based on information from leading nongovernmental organizations, media outlets, and social networking services around the world	Survey identified no noteworthy risks
Listed employee-perceived risks and adverse impacts based on Japanese government table of 25 key human rights and human rights risks related to corporate activities	Enhanced counseling channels and bolstered education in view of the high number of respondents identifying harassment as a risk. In fiscal 2023, we will map out and prioritize risk probabilities and severities and act accordingly
Used United Nations Guiding Principles Reporting Framework Self-Assessment Check Sheet to track site progress and share specific initiatives	Look Into rolling out initiatives across organization while factoring in national legal and cultural backdrops
See page 67 for more information on supply chain management.	
	Surveyed human rights risks of 18 domestic and 21 overseas based on information from leading nongovernmental organizations, media outlets, and social networking services around the world  Listed employee-perceived risks and adverse impacts based on Japanese government table of 25 key human rights and human rights risks related to corporate activities  Used United Nations Guiding Principles Reporting Framework Self-Assessment Check Sheet to track site progress and share specific initiatives



- Establish human rights due diligence structure and maintain external website
- Educate about human rights through e-learning and job-specific training



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## **Human Capital**

- \* <u>UBE Group Human Resources Management Guidelines</u> \* <u>Talent Strategy for Becoming a Specialty Chemicals Company</u>
- Personnel System Diversity, Equity and Inclusion Diverse, Flexible, and Efficient Work Practices
- Quality Working Environment
  Occupational Safety and Health
  \*ESG Data (Human Resources)

### **UBE Group Human Resources Management Guidelines**

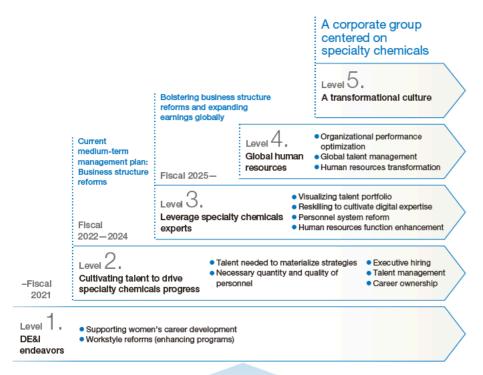
The UBE Group has issued these human resources management guidelines in order to enhance its corporate value and maximize the well-being of employees.

These guidelines present the shared values the UBE Group practices in human resources management. While group companies have their respective rules, customs, and personnel provisions, these guidelines outline the Group's universal approach to human resources management and apply to all group companies worldwide.

- 1. Value the diversity of our human resources and respect each person's individuality.
- 2. Keep employees' motivation high by encouraging their creativity and autonomy.
- 3. Provide many opportunities for all employees to develop themselves based on their own professionalism.
- 4. Pursue fair evaluation and remuneration.
- 5. Be receptive to diverse work styles, maintain good working environment, and further improve the working environment.

#### 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.

#### Priority Measures of the medium-term management plan and Progress

#### **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

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% (FYŽ021) ⇒ 4.1% (FY20Ž2)

#### 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

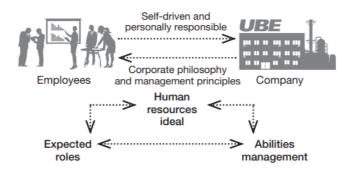
individuals (lift recruiting to overhaul corporate culture through DE&I efforts and global business expansis Percentage of male employees taking childcare leave: More than 75% ⇒ 100% (FY2022 result: 97.2%)

#### **Personnel System**

The UBE Group pursues performance driven by the principles of autonomy and self-responsibility. This stems from our founding philosophy, which inspires us to continually generate technological innovation and promote self-transformation in response to changes in the environment. We have adopted a human resource system that clarifies the expected roles for employees. It also

objectively evaluates their performance so that each individual can maintain an awareness of their mission and issues for improvement, ultimately resulting in a sense of job satisfaction.

During fiscal 2019 and 2020, we revised the HR system for each job grade in order to increase the motivation to achieve targets, and in order to promote human resource development. Along with reducing personal allowances, we have adopted an evaluation and qualification system that further emphasizes employee performance. Employee motivation is further enhanced through greater opportunities for promotion and salary increases. Finally, we will improve our human resource development capabilities by introducing a system to better compensate managers who demonstrate enthusiasm and implement initiatives for guiding and training their subordinates and younger employees.



#### **Human Resources Development**

UBE is expanding its investment in human capital development and is working to develop human capital for growth and innovation.

In order to develop human resources who can work in a diverse business and globalised environment, the following approaches have been strengthened.

- 1. OJT (on-the-job training)
- 2. OFF-JT (off-the-job training: group training, etc.)
- 3. Self-development support system

Through these approaches, UBE is actively working to develop human resources so that each and every employee can fully demonstrate his or her abilities through work.

	FY2022 (Parent company)
Investment in off-the-job training per person*	¥120,000
Training hours per person*2	17

<sup>\*1</sup> 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)

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.

#### **Training System Overview**

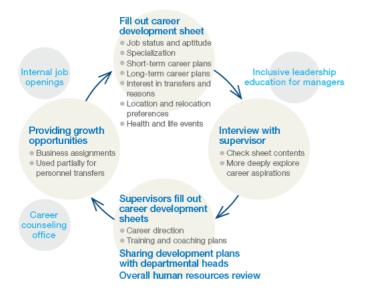
<sup>\*2</sup> Calculation methodology: (Total hours of group training + Total hours of e-learning) / Number of employees on non-consolidated basis (as of fiscal 2022 year-end)

	Level-Based Training					by The	eme	International Business Personnel Development		Support for Self- Improvement			- Independent Training		t Affiliates		
Din	ector/Executive	Executive management stu  New Executive Training	dy group														Group Company new executive training
	Manager	Upper-level management train Mid-level management train New management training	ing		Career ≪ life		e-learning				Global Business	Va					
	Grade M	Grade M training			e plar		gning				Jusine	rious	] [				
	Kikansyoku* employees 1				⊗ life planning training		Sustainability				ess Leader Programme	various types of home-studying courses and assistance		Self Im		Company- a	
Career-track employees 1	Kikansyoku* employees 2					Mid-career r	Sustainability, Compliance, Human rights, Health,				gamme	ne-studying		Self Improvement support through		and division	
	Kikansyoku* employees 3	Career-track employees 1 training	Training for Kikansyoku* employees 3	Elder		recruitment training	, Human right	Business En	Cultural sensitivity training	Overseas MI		courses and	TOEIC exams	upport thro		-specific training	
Career-track	Kikansyoku* employees 4		Training for Kikansyoku* employees 4	Elder training		training	s, Health, etc.	Business English training	sitivity traini	Overseas MBA programmes				video		ing	
employees 2	Kikansyoku* employees 5	Basic management training	Training for Kikansyoku* employees 5					94	36	Œ		of acquiring official		content			
Career-track	Kikansyoku* employees 6	Follow-up training for Career- track employees	Follow-up training for Kikansyoku* employees									fficial					
employees 3	Kikansyoku* employees 7	Training for newly-hired generalists	Training for newly-hired Kikansyoku* employees		J		Ш				-		Ш	Ш	L		

<sup>\*</sup> Technical employees and administrative employees

#### **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.



#### **Work Engagement**

UBE uses index of the new Brief Job Stress Questionnaire that companies around Japan administer to employees to gauge work engagement levels and trends. We will improve work engagement and strengthen the organization. We will do so by creating a structure that enables managers to track circumstances at each workplace. We will also create opportunities for growth through education and provide interactive positive mental health training in collaboration with external employee assistance programs to motivate workers.



#### **Enhancing Global Human Resources Development**

The UBE Group actively works to develop human resources that can contribute to its growing international business in various domains. The key points of the strategy are to: (1) foster global business leaders, (2) increase the opportunities for gaining international experience, (3) enhance cross-cultural capabilities, and (4) improve language capabilities.

We are also actively promoting personnel exchanges with members of the UBE Group outside Japan. Through joint training, we are improving leadership and project promotion skills and developing employees with a global mindset.

#### Diversity, Equity and Inclusion

#### **Basic Views**

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.

UBE has operated a dedicated group for promoting diversity initiatives within the Personnel Department since October 2013, and appointed a diversity promotion leader at each business location in 2022 to promote diversity in human resources and work-styles. We also provide management members with unconscious bias training, and regularly set up forums to discuss diversity in the Strategic Management Meeting and other bodies, where top management is involved in sending out regular communications and overseeing and promoting initiatives.

#### **Diversity in Human Resources**

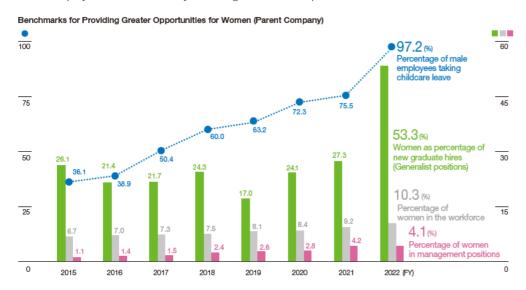
At the UBE Group, we strive to provide stable employment for diverse human resources, regardless of differences in gender, nationality, ethnicity, race, disability, health status, age, social status, family situation, religion, beliefs, gender identity, sexual orientation, employment status, etc.

#### Employee Data (as of March 31, 2023)

	Number o	f Employees	In which, Nu	ımber of Managers	Average Age	Average Years of Service
Male	1,972	89.7%	535	95.9%	42.9	15.6
Female	222	10.3%	23	4.1%	40.5	13.1
Total or Average	2,194	100.0%	558	100.0%	42.7	15.4

#### **Providing Greater Opportunities for Women**

We are aiming to attain gender equality, which is atop 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.



Wage gaps between men and women (Parent company)  Wage gaps between men and women						
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 posi- tions, so we are striving to hire and advance them.						
<ul> <li>Many women in regular worker positions do not do shift work, leading to wage gaps from not getting shift and late-night allowances.</li> </ul>						

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.

We formulated an action plan based on the Act on Promotion of Women's Participation and Advancement in the Workplace to enhance work environments for women.

#### Formulated General Business Owner Action Plan for Fiscal 2022 through Fiscal 2024

Based the plan on the Act on Promotion of Women's Participation and Advancement in the Workplace and the Act on Advancement of Measures to Support Raising Next-Generation Children

In keeping with the Act on Promotion of Women's Participation and Advancement in the Workplace, we set the following three goals under a three-year plan starting in fiscal 2022 (Parent company).

- 1. Have women account for 10% or more and 5% or more of our employees and managers, respectively, by the end of March 2025.
- 2. Boost the percentage of female new graduates hired for generalist positions to an average of 30% or more during the plan period.
- 3. Increase the percentage of male employees taking childcare leave during the plan period to 70% or more, with the average leave taken exceeding 15 days.

#### Voluntary Action Plan to Promote Women to Executive and Managerial Positions

Diversity, equity 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

#### **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)	_				

#### **Employing Non-Japanese Nationals**

To harness expertise from different values and cultures, UBE revised the global business leader program to include local training in Japan, Thailand, and Spain, and have expanded personnel exchanges with employees of the UBE Group companies outside Japan. (To help prevent the spread of infectious diseases, we have switched to online training in recent years, and will continue to utilize it.)

Additionally, every year the Company hires foreign nationals to work in Japan, and actively pursues personnel exchanges including accepting personnel from international Group companies.

Diversity, Equity and Inclusion at Overseas Subsidiaries

Percentage of Female Managers at UCE 21.6%

Spain

 $\label{eq:ube_update} \textbf{UBE Corporation Europe, S.A. Unipersonal (UCE)}$ 

 On March 8, International Women's Day, we organized an open webinar about "Equality, the new normal." Approximately 100 people participated in this event and we interviewed the President of the Chamber of Commerce of Castellon and local companies' executives.

- Signed the second Equality Plan for the next four years with the worker's committee at UCE
- · Signed the first Equality Plan for the next four years with the worker's committee at Repol S.L.U.
- · Payroll audit with equality perspective
- · More flexibility in the working hours either men or women fostering the co-responsibility in the community

Percentage of Female Managers at UCE 21.6%

Thailand UBE Group (Thailand) (UGT)

- In fiscal 2021, UGT hired 28 employees, eight of whom were women.
- In fiscal 2021, women accounted for roughly 40% of promotions in managerial and non-managerial positions.
- Pushed ahead with a hybrid work model to achieve work-life balance.
   Conducted employee satisfaction surveys and one-on-one interviews that focused on progress with working from home.
   In Bangkok, downsized office and renovated it as a coworking and team meeting space.

#### **Rehiring Retirees**

UBE provides career and life planning training for employees to help them continue working in various workplaces in and outside the Group after reaching the standard retirement age of 60. The aim is to enable them to retain job security by making continued use of their accumulated work expertise and skills.

In fiscal 2022, Questionnaire survey for senior employees and Discussions with the senior managing executive officer in charge of human resources and the head of the Human Resources Department were conducted. In order to create a workplace environment in which senior employees can play a more active role, it was decided that "a system in which the individual and the workplace share a common understanding of the expected role, have responsibility and discretion commensurate with their position, and can work in a rewarding manner" was necessary. Based on these results, we took the following measures in fiscal 2023.

- Interviews on career and working styles.
- Clarification of expected roles and Interviews about their goals at work.

In fiscal 2022, 93.5% of UBE employees who reached the standard retirement age were rehired and are now deployed throughout the UBE Group.

#### **Employment of People with Disabilities**

The UBE Group has employed such individuals since establishing a special-purpose subsidiary for them in 1991. A team specializing in dealing with people with disabilities creates a supportive environment by collaborating with local support bodies to assist with everything from recruiting to job placements. That subsidiary matches tasks and individual and discusses and constantly fosters progress by evaluating career development. A parallel endeavor is to broaden job opportunities through special purpose subsidiaries and agricultural jobs. We will continue to practice social inclusion and empower people to showcase their skills and get fulfillment through their work.

#### **Engaging with Employees**

Management engages closely with employees as key stakeholders. We survey them to identify areas in which we need to attain equity, provide feedback, and reflect swiftly findings in our measures. Management and employees also engage in direct dialogue to exchange views about UBE's goals and deepen mutual understanding. We discuss human resources strategy issues that come to light by the survey and dialogues in meetings of the Board of Directors, the Strategic Management Meeting, and the Executive Management Workshop. We also share them in labor-management meetings to foster cooperation between both parties.

### Results of parent company dialogue with and surveys of employees in fiscal 2022

- Providing greater opportunities for women
- DF&I
- Work-life balance support
- Health issues
- Unconscious bias
- Assisting rehired retirees
- Support for management

#### Reflected in personnel measures from fiscal 2022

- Initiated childcare support allowance (¥20,000 monthly per child under 3 years old)
- Extended paid childcare leave from 7 days to 15
- Introduced life assistance leave (switched from accumulated leave)
- Published a handbook to help employees balance their professional and personal commitments
- Shortened prescribed working hours for day shift workers by 15 minutes daily
- Increased time off for shift workers by two days
- Revised rehired retiree system and enhanced interviews
- Inclusive Leadership Education for managers

#### Diverse, Flexible, and Efficient Work Practices

#### **Basic Views**

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.

#### Paid Leave and Overtime Hours at UBE

Fiscal Year	Unit	2020	2021	2022	FY2025 Target
Ratio of annual paid leave taken	%	66.5	79.3	85.5	100
Overtime (annual average)	Hours per person	181	181	202	
Total hours worked	Hours per person	1,973	1,946	1,916	1,900 or less

#### Work-Life Balance

By actively adopting new programs to help employees balance their work and childcare or family care responsibilities, UBE has enabled flexible work styles and created more supportive workplaces.

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

Furthermore, based on the Act on Advancement of Measures to Support Raising Next-Generation Children, UBE has developed an action plan to help ensure an employment environment that allows employees to use their abilities to the fullest while both

working and raising children. In addition to making some childcare leave paid, the Company encourages male employees to take a greater role in parenting.

Under the three-year action plan launched in fiscal 2022, UBE is working toward the following three goals:

- 1. implementation of measures to support balance between work and family life,
- 2. implementation of measures to encourage work-style reforms, and
- 3. expansion of social contribution programs related to raising the next generation.

General Business Owner Action Plan on Advancement of Measures to Support Raising Next-Generation Children

#### Main Work-Life Balance System

System	Description
Maternity leave *1	Up to six weeks prenatal and eight weeks postpartum
Childcare leave	Leave can be taken until the day before the child's first birthday (or the child's third birthday, in certain circumstances). The first fifteen days of leave are fully paid (total with childcare leave a childbirth and childcare leave).
Childcare leave at childbirth	Employees can take four weeks of childcare leave within eight weeks of the birth of a child; four weeks may be divided into two.
Childbirth leave *2	Employees whose spouses have given birth can take four days of paid leave.
Childcare assistance allowance	20,000 yen/month per child for employees who are raising a child under 3 years old
Shortened working time	The working hours of employees caring for children in elementary school or younger, nursing family members, seeing a doctor, and going to school can be shortened by up to two hours per don request.
Flexible working hours	Eligible for all employees except shift workers (no core time)
Shorted/flexible work	Employees can use the shortened working time and flexible working hours systems together.
Child nursing leave	Employees can take leave on an hourly basis to nurse children in the sixth grade of elementary school or younger. (Five days per child can be taken each year, up to a maximum of 10 days a ye for two or more children.)
Family nursing leave	Employees can take leave to provide nursing care for family members (up to a total of 365 days)
Family nursing short	Employees can take leave on an hourly basis to provide nursing care for family members (up to maximum of 5 days a year for one family member, 10 days a year for two or more family member
Half-day annual paid leave	Employees can take paid leave in half-day units
Hourly annual paid leave	Employees can take paid leave in hourly units (up to 40 hours annually)
Accumulated leave	Employees can accumulate up to 40 days of annual paid leave and use it to take time off for sickness/medical treatment, caregiving, fertility treatment, social and community contribution activities, volunteer activities, etc.
Life support leave	Employees to take leave for personal injury or illness, nursing care, childcare, volunteer work, infertility treatment, personal and family anniversaries, and life events. (5 days are granted each year and can be accumulated up to a maximum of 40 days.)
Telework	Employees can work from home as a means to improve work-life balance, raise productivity, and prepare BCPs.

System	Description
Career restart	Gives employees the option to resume their careers if they have to quit for reasons out of their control, such as marriage, giving birth, parenting, caregiving or spouse's job transfer

<sup>\*1</sup> Available for female employees

#### **Quality Working Environment**

#### **Labor Union Relations**

The UBE Group respects the basic rights of workers, including the freedom of association and the right to collective bargaining.

At UBE, we have concluded an agreement with the UBE Labor Union that encompasses worker rights. Management engages in negotiations and regular discussions with labor representatives to improve living standards and working conditions for union members and provide comfortable work environments. We endeavor to maintain and enhance healthy relationships between management and labor by having senior executives participate in conference sessions with labor to exchange and honestly discuss views about the Company's issues and direction and share management policies and plans with union members while reflecting their feedback in management.

#### Office and Plant Tours for Families

UBE Group companies give office and plant tours to the families of employees, so that they can see where their family member works and the conditions they regularly work under as well as the way they spend their time. This initiative is aimed at facilitating communication within families and increasing employee motivation.

#### Occupational Safety and Health

Occupational Safety and Health

#### **ESG Rating**

Society (PDF: 254KB)

<sup>\*2</sup> Available for male employees



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Sustainability

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### Occupational Safety and Health

- Basic Approach to Occupational Safety and Health Initiatives Initiatives to Prevent Occupational Accidents
- Initiatives on Safety and Health Initiatives for Health Management

#### Basic Approach to Occupational Safety and Health Initiatives

The UBE Group strives to keep occupational accidents to zero by making operations inherently safe. The Group's efforts are designed to foster a safety-driven corporate culture and to reduce risks by enhancing safety initiatives and making continuous improvements. In the area of occupational health, each business site establishes an occupational safety and health management system to maintain and improve corporate activities. The UBE Group also endeavors to ensure the mental and physical health of employees by improving lifestyle habits through health checkups and follow-up care as well as various measures such as mental health consultations.

#### **Initiatives to Prevent Occupational Accidents**

#### Fostering a Safety-Driven Corporate Culture

To make existing safety activities more comprehensive and effective, in fiscal 2016 we launched initiatives aimed at fostering a safety-driven corporate culture, encompassing eight elements. These are organizational governance, positive involvement, resource management, work management, motivation, learning and knowledge transmission, risk perception, and mutual understanding. In keeping with findings from assessments based on headquarters' evaluation standards, business sites identify issues and formulate and execute plans to cultivate a safety culture as part of ongoing improvement efforts.

#### **Eliminating Major Disasters**

We have undertaken a range of activities to prevent occupational accidents. In fiscal 2018, we initiated efforts that centered on eliminating major incidents. We conduct risk assessments of work that is highly susceptible to serious accidents. We implement systematic risk reduction measures and endeavor to make operations inherently safe. From fiscal 2020, we undertook safety activities with partner companies\* adding safety education and training from fiscal 2021 as a priority item.

We investigate the causes of all incidents regardless of whether they result in lost time, striving to prevent similar incidents by assessing and rolling out measures.

#### Number of Fatal and Lost Work Time Incidents among **Domestic Operations** Number of Lost Work Time Incidents ■ UBE Group employees ■ Employees of partner companies of the UBE Group\* (■Number of fatal incidents) (Incidents) 8 6 6 4 2 0 Lost Work Time Injury Frequency Rate UBE Group employees Manufacture of production machinery Employees of partner companies of the UBE Group\* Chemical industry Manufacturing industry (Ministry of Health, Labour and Welfare statistics) 1.50 1.25 1.20 1.16 1.07 **1.04** 0.93 1.00 ● 0.74 0.75 •0.60 0.52 0.50

\* Partner companies: Including construction and other contractors

2021

2022 (FY)

2020

0.19

2019

#### Measures to Prevent Occupational Accidents

2018

0.00

		Goals	Activities	Status and History of Initiatives
1.	Setting occupational accident-related benchmarks	Prevent occupational accidents	Establish numerical goals	Fiscal 2022 goal: 0 incidents with lost work time and 14 without, for a total of 14 Fiscal 2022 result: 10 incidents with lost work time and 18 without, for a total of 28
2.	Use of occupational accident information	Prevent similar accidents	Create occupational accident information database and publish it on intranet	We are using information on occupational accidents at each business site as important data sources for facilities and operational risk assessments.
3.	Audits and inspections	Drive ongoing improvements at business sites • Improve weak areas • Enhance safety levels	It) Audits  Audits conducted by the Head Office and business site environmental safety personnel  Cuantitative evaluation of offices in line with checklists and feedback  Chemical substance management audits Audit three management areas (work, work environments, and health) as covered by the Occupational Safety and Health Act  Inspections  Members of the president-chaired inspection committee visit business sites  Confirming results of audit and activity achievements and conveying reviews	History of improvement activities inspired by audits and inspections  Fiscal 2013: Summarize outstanding activities in Best Practices and Safety and Health Guidelines and publish these on intranet  Fiscal 2016: Begin assessments according to eight culture of safety components, which are organizational governance, positive involvement, resource management, work management, motivation, learning and knowledge transmission, risk perception, and mutual understanding  Fiscal 2017: Start disclosing evaluation criteria and verifying gaps between these and self-evaluations  Fiscal 2018: Publish evaluation criteria on intranet and integrate UBE Group evaluation criteria in a culture of safety  Fiscal 2018: Audit all Chemicals business sites  Fiscal 2019: Audit Research and Development Department  Fiscal 2019: Establish Companywide criteria in three management areas, build database for substances handled in-house and related regulations, formulate quantitative risk assessment techniques for chemical substances, and sequentially and continuously improve  Fiscal 2017: Launch small safety team reports and group discussions
4.	Safety and health rallies	Share information Encourage activities	Annual UBE Group health and safety rallies Participants: Approximately 300 people (Group executives and employees, including online) participating	Zero accident efforts and resolutions to enhance workplace environments  Recognition by the president (to entities and individuals for outstanding contributions to health and safety)  Small safety team presentations on experiences  Special lectures from outside instructors on safety and health management  Reciting safety goals after rallies

### Initiatives on Safety and Health

The UBE Group holds a safety and health rally every year. About 300 UBE Group officers and employees as well as business partners from across Japan participate, sharing information and fostering motivation. In addition, individuals and groups that have made particularly outstanding contributions to safety and health receive recognition from the company president. The event also features presentations from small safety groups on their experiences and special lectures from outside instructors about safety and health management, helping to raise safety awareness.



At the end of the rally, all participants, including officers, join together in reciting the Group's safety pledge, renewing their commitment to eliminating accidents and improving work environments.

#### Occupational Safety and Health Council

This is a forum in which representatives of the Companywide union and UBE's occupational safety and health officers gather to review annual occupational safety and health results and plans for the new fiscal year and discuss requests from both sides. Participants share prevailing issues and discuss ways to address them. We reflect forum results in the following year's plans. Many major accidents have occurred among subcontractors. Labor representatives and management recognize the importance of coordinating better with those firms. Our annual plans accordingly include measures to foster safety activities with subcontractors.

#### **Labor-Management Councils**

Following Occupational Health and Safety Council discussions with Companywide union representatives, regional business sites convene gatherings to discuss local union and management requests.

#### **Initiatives for Health Management**

Mealth management initiatives at UBE

Universidad separat selektrik dan kelentertak bersa ti asas bi asa seberat sebagian bersaman dan bibas sebagia

