

Respect for Diversity

Recognizing that our corporate value is increased by the combined talents of our employees—each with their own unique qualities and way of thinking—one of our Corporate Values defined in the Shinko Way is to respect diversity and support individual growth for our employees. Based on our Corporate Values, we have established a human resource development policy and are working to improve our education system.

We also strive to foster a corporate culture where all employees can increase their own value and work with pride and confidence, and to create workplaces that are pleasant for all employees.

Initiatives to Promote Active Participation by Women

Based on the Stage 2 Action Program submitted to the Nagano Labor Bureau in accordance with the Act on Promotion of Women's Participation and Advancement in the Workplace, we conduct annual training for young employees and employees who are raising children.

In FY2022, at a Work-Life Balance Seminar for male and female employees raising children, managers who have experience with childrearing talked about their experiences, and we raised awareness of achieving a balance between work and childcare, including managing the health of working parents and children, and of awareness of medium- to long-term career development. At the Career Development Support Seminar for Young Employees in their second year at the Company, participants focused on studying future career development and gender equality. Also, we conducted two training programs with the aim of fostering female leaders: For female leaders, we conducted leadership training and, for the managers of female leaders, we held leader development training.

In the female leader training conducted for female leaders, we improved motivation for work by fostering understanding of the various styles of leadership and the expectations of others. We conducted female leadership training and studied the importance of female leadership development and communication skills to support the progress of women, while sharing the issues they face. We also provide training from the perspective of promoting diversity in rank specific training as well as introductory training for mid-career hires to promote gender equality within the Company.

Looking at the ratio of women in management positions, in our second stage action plan based on the Act to Advance Women's Success in Their Working Life, the actual ratio as of March 2023 was 5.9%, compared with the target of 6.6% at the end of March 2025. Going forward, we will continue to encourage the participation of women, as we aim to achieve our targets.

Excerpt of the Action Plan Based on the Act to Advance Women's Success in Their Working Life (Stage 2) (April 1, 2020–March 31, 2025)

Targets

- (1) Double the ratio of women in managerial roles by the end of March, 2025 (compared with the end of March, 2020)
- (2) Keep the average hours of overtime per month at 30 hours or less through the plan period

Initiatives

- Hold training programs to develop female management candidates
- Continue seminars on career development support for younger employees and for male and female employees who are raising children



Female leader training

Gender Pay Gap (FY2022 results)

The "ratio of female workers' wages to male workers' wages" calculated in accordance with the provisions of the Act on Promotion of Women's Participation and Advancement in the Workplace is as follows.

There is no difference in wages for equal work between men and women, and the male-female difference is due to differences in the number of employees at each job (qualification) level. However, we aim to further reduce the gender wage differential through continuous training for human resources development, together with support for employees balancing work and childcare.

Classification	Ratio of female wages to male wages
All workers	79.3%
(Regular employees among all workers)	79.2%
(Non-regular employees among all workers)	81.1%

- Wages were defined as payments made to workers during the period as compensation for work, including basic salary, bonuses, and various allowances. (However, commuting allowances and retirement allowances are excluded.)

Acceptance of Personnel of Different Nationalities

Shinko is increasing the diversity of its workforce to encourage innovation. We hire international students and accept personnel working at Shinko Group sites outside Japan as well as overseas technical intern trainees. In the case of foreign technical intern trainees, we provide in-house Japanese communication training and provide Japanese staff in the accepting departments with communication training. In this way, we provide support so that personnel with different cultures and languages can actively deepen relationships of trust beyond nationality. We have one employee from overseas in a management position, and we will strive to raise this number.



Training for foreign technical intern trainees

Mid-Career Hires

Shinko is hiring mid-career employees because we are making aggressive investments for future growth and plan to open a new plant and construct new buildings at existing plants. We have always provided opportunities for promotion to management positions to both mid-career hires and new graduates. Currently, mid-career hires account for 17.3% of our managers. We will continue to maintain the current level by providing equal opportunities for promotion to management promotions.

Supporting the Active Participation of Elderly Workers

We introduced a post-retirement rehiring program to capitalize on the knowledge, techniques, and skills cultivated by employees over many years. As of July 2023, 480 employees benefited from this program. In April 2022, we reviewed this program so that employees who are willing to work can make the most of their abilities and play an active role regardless of their age, and if their motivation and skills match the company's needs, they can work after the age of 65. We also reviewed the compensation for those over 60 so that all employees working under our post-retirement rehiring system can contribute to the company with a sense of fulfillment and satisfaction in their work.

Promoting the Employment of Persons with Disabilities

Our company has been utilizing its subsidiary Shinko Technoserve Co., Ltd. to expand employment of persons with disabilities, and Shinko Technoserve Co., Ltd. was certified as a special subsidiary in April 2023. In addition to building a work environment that meets the needs of employees with disabilities and providing facilities such as barrier-free toilets and ramps, we are also striving to raise employees' understanding of disabilities and create an appropriate workplace culture through education for managers and leaders. The Shinko Group will continue to engage in employment of people with disabilities and strive to create workplaces where employees with disabilities can play an active role.

Creating an Environment Where Diverse Employees Can Work Easily

In April 2023, our company redesigned its uniforms for the first time in nearly 30 years. The new uniforms were discussed by the New Uniform Planning Committee, which included employees from each division. The new uniforms are gender-neutral and were designed from the standpoint of diversity and genderlessness. In addition, we are equipping each plant with barrier-free toilets with functions such as turning space for wheelchairs, handrails, and flushing facilities for ostomates.

Through these efforts, we are working to create a work environment in which diverse employees can work with peace of mind.