

## New ideas created from the diversity in human resources

By creating a pleasant workplace environment where diversity in gender, age, nationality, culture, lifestyle and more is respected, we are working to foster a corporate culture where employees with diverse personalities and values can fully demonstrate their abilities.

#### Related material issue



# **Business foundation**

Major sustainability KPIs (FY2023-2025)

■ Engagement score (Japan)

#### Improvement in the scores for 3 main issues (as compared to FY2023)

- \*1 Main issues: (1) human resource development, (2) strengthening management abilities, and (3) improving the acceptability of the personnel system
- Ratio of males taking childcare leave 90% (IDEC unconsolidated)
- Number of female managers 15 (IDEC unconsolidated)
- \* Including assistant managers with subordinates
- Average per capita training costs

70,000 yen (IDEC unconsolidated)

# **Human resource strategies**

One of the four material issues defined by IDEC reads, "Business foundation: Establishment of a management structure that promotes value creation, respect for human rights, and development of a corporate culture and human resources." As corporate revitalization and the strengthening of human capital are vital for sustainable growth and increasing corporate value, we have declared a 2030 vision and implement a number of initiatives in coordination with medium-term management plan measures and sustainability KPIs.

We have conducted an employee engagement survey since FY2020 and set sustainability KPIs based on the engagement score obtained from the survey in FY2023. By ascertaining current conditions and issues, and implementing measures focused on priority issues, we are working to improve engagement.

We have also introduced a new talent management system as the foundation of our global human resources, and plan to make use of it to discover and appropriately place talented human resources across the entire IDEC Group. To further promote the global expansion of our business going forward, initiatives advancing the concepts of decent work, diversity & inclusion are also essential. To ensure diversity in our human resources, we are focusing on the recruitment of global human resources, improvements to the percentage of female managers, and other efforts.

We have positioned the filling of key positions and development of leadership talent as part of our medium to long-term human resources strategy, and systematically select and foster candidates for top management who will take on management responsibilities in the next generation.

# Implementation structure

In FY2023, a Strategic Planning Division was established as an organization under the direct control of representative directors to work together to draft management strategies and personnel strategies.

The division, working in coordination with related departments, leads the formulation of long-term visions, medium-term management plans, sustainability KPIs, management and personnel strategies, and the managing of our management resources. Critical matters are referred to the Top Management Meeting, whose policy decisions are reported to the Board of Directors.

In addition, a Decent Work Subcommittee was established in 2022 as a specialized subcommittee of the Company-wide Safety and Health Committee. The subcommittee works to create a rewarding workplace environment and increase employee satisfaction in order to achieve employee well-being.



# Human resource development policy In-house environment improvement policy

The IDEC Group has established the following as its main purpose: "Achieve safety, ANSHIN, and well-being for people around the world." This main purpose and the company's vision (Pioneer the new norm for a safer and sustainable world) constitute "The IDEC Way." The goal of "The IDEC Way" is to realize a safer and more sustainable society that brings happiness and ANSHIN to all people.

To achieve the vision of the IDEC Group, we will further expand our activities on a global scale and strive to contribute to the resolution of various societal issues through our business activities. To this end, we have made it a priority to hire and develop personnel with diverse strengths who are able to manifest their capabilities and their passion and open the way to the future to become the leaders of the next generation. We will continue to actively promote diversity & inclusion and carry out a variety of human resource development policies.

The IDEC Group will also protect the safety of the workplace and mental and physical health of our employees, and will strive to ensure a healthy working environment where human rights are respected without discrimination.

# Instilling and practicing the corporate philosophy and improving employee engagement

IDEC pursues initiatives designed to instill and put into practice "The IDEC Way", its corporate philosophy. Specific activities include the display of posters internally, utilization of the corporate intranet and company newsletter and the distribution of credo cards. In the new personnel system that was revised in FY2023, definitions of roles and grades were revised based on "The IDEC Way" and linked to personnel evaluations.

To improve employee engagement, we conducted engagement surveys in FY2020 and FY2023, and have promoted initiatives to deal with the issues identified through those surveys. In FY2023 survey, the scores for the major metrics "Total Employer Attractiveness" and "Total Workplace Attractiveness" improved, and the scores for most of the

other items showed improvement as well. However, we recognize three major issues that scored lower, 1 human resource development, 2 strengthening management abilities and 3 improving the acceptability of the personnel system. We have set sustainability KPIs based on these issues and have been taking steps to make improvements. We also incorporated questions on how "The IDEC Way" is put into practice in the engagement survey, and in FY2023 survey results there were higher scores on questions about the degree to which "The IDEC Way" was practiced by employees themselves, and by their superiors.

#### Results of engagement survey

Item	FY2020 score	FY2023 score
Total Workplace Attractiveness	3.12	<b>1</b> 3.16
Total Employer Attractiveness	3.01	<b>↑</b> 3.12

Issues	Major action plans implemented since FY2024
Human resource development Strengthening management abilities	<ul> <li>Improving personnel training including managerial training, career design training, etc.</li> <li>Implementing a career design program</li> <li>Preparing to introduce a global talent management system</li> <li>Expanding the operation of multi-faceted evaluations</li> </ul>
Improving the acceptability of the personnel system	Strengthening feedback provided on personnel evaluations Conducting training for evaluators
Encouraging communication	<ul> <li>Further enhancing communication aimed at achieving "One IDEC"</li> <li>Disseminating and instilling the medium-term management plan and corporate policies, etc.</li> </ul>
Promoting work style reform and improving the welfare system	■ Phased restoration of welfare services ■ Introducing flexible workstyles (discretionary work and flex-time) and promoting working from home
Improving workplace culture	■ Implementing action plans to resolve workplace issues in each department
Promoting diversity & inclusion	■ Implementing policies to support families raising children

We have introduced an employee commendation system from FY2025. To ensure broad employee participation the system covers all employees except executive officers. Four theme-based categories and a Core Values category have been established, with a winner of the "President's Award" selected in each category. In an effort to instill the Group philosophy, in the Core Values category we also established a category to recognize employees who embody the Group philosophy, are exemplary employees acting in accordance with the Principles - the specific approaches and actions to be aware of when working based on the Core Values.

We are committed to further strengthening our corporate foundations by instilling the corporate philosophy globally and improving employee engagement.



# Strengthening of human resource management systems

To further enhance human resource management, we are working to revise personnel system, conduct multi-faceted employee evaluations, enhance career development meetings and our training programs and improve global talent management.

# New personnel system

Taking into account issues with the personnel system that came to light based on engagement surveys (matters related to evaluations, salaries, bonuses, promotion and advancement, etc.) we introduced a new personnel system in FY2023.

To accommodate diverse career aspirations, we provide multiple career courses and opportunities to meet individual requests and strengths, while enhancing the transparency of goal management (evaluation) and compensation, and conducting fair evaluations and delivering compensation that reflects the roles employees are expected to fulfill, their actions and job performance.

# **Training programs**

We have strengthened investments in human resources that are essential to support sustainable growth and have arranged a diverse range of training programs. In addition to well-organized in-house and external training programs and schemes to support career advancement, as part of efforts to develop global human resources we help each employee improve their skills with a range of training options including English language training in the Philippines and English learning with coaching for executives, and a diverse menu of online English education for regular employees.

## Average per capita training costs



To achieve the sustainable growth of the entire IDEC Group, we have also introduced selective training programs for the early development of next-generation management candidates who will drive the future of the IDEC Group.

#### Multifaceted evaluation system

In FY2023, we introduced a multifaceted evaluation system for managerial staff ranked general manager and above, and expanded the scope to managers starting FY2024. We conduct post-evaluation training for all applicable managers, and encourage them to change their self-perceptions and make behavioral changes by drawing attention to their regular duties and abilities to perform their responsibilities.

## **Career Development Meeting**

We have been conducting Career Development Meeting since FY2023 to support employee growth and ensure the right people are placed appropriately within the organization. At the meeting, the department general managers within each division gather to share and clarify issues relating to developing member capabilities and so on, study the allocation of roles, and consider employee training plans including future promotion.

### Next-generation management candidate training programs

Program	Purpose	Details	Number of trainees
IDEC Top Management Program	Development of next-generation director candidates	■ Outside manager development training ■ Lectures on specialized fields delivered by outside directors ■ Nominating Committee reporting session	From FY2022 3
IDEC Advanced Management Program	Development of next-generation executive officer candidates	■MBA study (for executive tiers) ■Assessment exercises ■Training to overcome weaknesses based on assessment results	From FY2022 17
IDEC General Management Program	Development of next-generation department general manager candidates	■MBA study (for middle-management tiers)	To be conducted in FY2025
IDEC Leadership Challenge Program	Development of next-generation manager candidates	■Theme-based lectures delivered by directors (10 sessions in total) ■Presentations on solutions to management issues (year-long group work) ■MBA study (basic) ■English language learning	FY2021 28 FY2022 19 FY2023 31 FY2024 18

IDEC unconsolidated

## Global talent management

We have been making preparations to introduce a talent management system as a global human resources base. By managing personnel data such as skills and experience on a global basis, we will advance the visualization of human resources and maximization of organizational capabilities in an effort to discover talented human resources and allocate them appropriately. In Japan, we will consolidate human resource development plans, e-Learning, the organizational structure, survey management and other aspects based on skills and experience into a talent management system, and work to promote career development and improve engagement.

Ahead of the system's introduction in FY2026, we studied systems and organized the issues in FY2024 and FY2025.

# **Promotion of diversity & inclusion** and decent work

We promote diversity & inclusion initiatives, work to develop an environment in which a diverse range of employees can achieve success irrespective of race, skin color, age, gender, sexual orientation, gender identity, gender expression, ethnicity, nationality or disability while respecting the humanity, and strive to enhance a support structure that reflects those sentiments.

In addition, to promote the development of a pleasant workplace environment, we drive the implementation of work style reforms that enable flexible ways to work, such as planned annual leave, encouraging male employees to take childcare leave, and the introduction of discretionary work and flex-time systems. To improve the ratio of males taking childcare leave, we have posted interviews with employees who have taken the leave on the company intranet, and engaged in awareness-raising of supervisors of those planning to take the leave. As a result, 100% of eligible employees availed themselves of childcare leave in FY2024.

## Ratio of males taking childcare leave

FY2023-2025 (Target) FY2023 FY2024 **58**% 100% 90%

To create a fulfilling workplace environment in which employees can continue to work with ANSHIN, improve the level of health and safety and provide employee well-being, we have established the Decent Work Subcommittee and the Workplace Well-being Promotion Committee and share information across the organization and consider company-wide measures. By having employees from a wide range of departments take part in discussions, we will promote the development of an environment that is fulfilling for all employees.

## Employee's Message

# Improving family well-being through childcare leave

#### Tomohiro Iwamoto

Junior Associate Electronics & Automation Product Development Department IDEC CORPORATION



IDEC unconsolidated

To coincide with the birth of my second child I went on paternity leave after childbirth for around one month. As we were unable to rely on parents and since my partner was in poor health, I took on the responsibility of looking after my eldest son and the newborn baby, and also handled housework for a month.

Up to that point, I thought I had done my best to raise a child and do housework, but after trying to do it all on my own, I learned a lot of things that reminded me of how tough it was. I think it was great to be able to share with my partner how difficult it is to raise a child soon after they are born.

## **Developing and appointing female managers**

As part of efforts to develop an environment and culture in which a diverse range of human resources can take on challenges, we have been pursuing initiatives enabling female employees to find success. We set the target of raising the number of female managers at IDEC on a non-consolidated basis to 15 by the end of FY2025, and managed to achieve this goal a year ahead of schedule by promoting initiatives such as awareness-raising training for all department general managers who play key roles in promoting the success of female employees, and selective training for female managerial candidates. The ratio of female managers on a consolidated basis was 23.9% in FY2024.

#### Number of female managers

\* Including assistant managers with subordinates

FY2023 FY2024 12 15 (6.9%)(7.6%)

IDEC unconsolidated

FY2023-2025 (Target) 15

# **Promoting** a wide range of measures in pursuit of greater heights

#### **Barbara Smith**

Manager's Message

Human Resources Manager IDEC CORPORATION (USA)



We value our responsibility not only to our employees but to their families, and are making every effort to grow into a company that flexibly adapts to the changing times and makes employees proud to work for.

# Recruiting and promoting a diverse range of human resources

To promote global business expansion, we hire a diverse range of talent irrespective of nationality, and make a point of developing an environment conductive to those from various backgrounds, including efforts to produce multilingual records of important meetings.

We also hire individuals with diverse experience, including DX and Al-minded personnel who are able to drive business innovation, and those with highly specialized knowledge that enables them to propose optimal solutions that address the issues faced by customers, or develop new products.

Going forward, we will continue to hire talent who possess the expertise and knowledge needed to strengthen our business.

# **Creating employment and involvement** opportunities for disabled persons

Since FY2022, we have applied a special corporate group exception to calculate the number of employees with disabilities. As of the end of FY2024, the number of employees with disabilities within the IDEC Group in Japan was 37 (converted number: 45), resulting in an employment rate of 3.0%.

Our Group company APEM has also actively engaged in hiring disabled persons, and the rate of employees with disabilities in its head office in France is 8.6%.

# Understanding of and support for LGBTQ+

To build a workplace environment in which anyone can devote themselves to their work, since FY2022 we have continued to conduct in-house training on LGBTQ+ issues. We provide training for staff assigned to our internal consultation desk, post specific instructions on the basic handling of employees "coming out" and content to deepen understanding of LGBTQ+ issues on the company intranet to make the information available to employees.