

Creating Human Resources and Organizations that Generate Value

Maxell Group implements a variety of initiatives aimed at ensuring that the individuality of each employee is respected, and that our workplaces are rewarding to work at.

These initiatives include the promotion of diversity and inclusion, work-life balance, and personnel training aimed at passing on Maxell's technological strengths to future generations.

Action plan

Strengthen the management that leverages human resources (build a human resources strategy, promote the right person in the right place and talent management)

KPIs

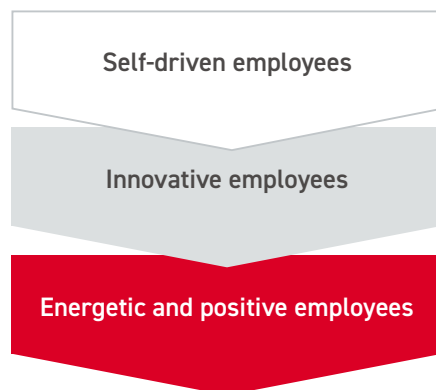
- (1) Talent management system: Introduce to Group companies by FY2026 **NEW**
- (2) Career interview implementation ratio 100%

Introduction of New Talent Management System Completed

To further enhance trust in the Maxell brand and achieve sustainable growth, it is essential to have personnel who can identify issues, think independently, and take action in response to various changes to customer needs and market environments. We have identified three key words for the desired talent profile: self-driven employees, innovative employees, and energetic and positive employees. We will redouble our efforts to recruit and nurture exceptional personnel, enabling a diverse range of individuals to bring together and coordinate their expertise, take on the challenge of creating new value, and work together on helping to create the future.

Furthermore, in fiscal 2022 we successfully introduced our new talent management system, which we had set as a KPI. The system is aimed at visualizing human resources information and facilitating personnel development and promotions. We intend to update our human resources KPIs and introduce talent management systems at all Group companies by the end of fiscal 2026.

Desired talent



We aim to continue 100% implementation of career interviews by reviewing the manual and other operational procedures.

Ensuring role awareness of management who “commits to value”

In fiscal 2021, we completely revamped the managerial personnel treatment system. This included redefining Maxell's managerial staff role requirements in order to provide clear and easily understandable standards for the work of each managerial staff member as leaders of Maxell's transformation.

These role definitions emphasize that committing to value involves managing the organization, crafting pathways for achieving objectives, and ensuring responsiveness to customer demands and values, and they make it clear that achieving these things results in the generation of corporate value. We are committed to fostering awareness of this among our managerial staff.

Expectations of managerial personnel

1. Strengthen organizational foundation

2. Establish realization processes

3. Create customer value

4. Create corporate value

The above expectations are defined in greater detail for each management level

Action plan

Establishment of a system for human resource development and evaluation that creates proactive human assets capable of creating something out of nothing

KPIs

- (1) Formulate human resource portfolio: operation start
- (2) Education for personnel evaluators: 2 times/year

Bolster human resource portfolio based on human resources development policy

Maxell conducts training with a focus on key action items in line with the 3 basic educational policies.

Basic educational policies

- (1) Human resources are the most important management resource for a company, and in addition to fostering a culture of ongoing education, we aim to be a company in which people grow and develop.
- (2) Cultivate human resources able to identify societal changes, work sincerely towards achieving greater creativity and technological capabilities, and provide value to employees, customers, and society.
- (3) Develop human resources able to advance globalization and diversity.

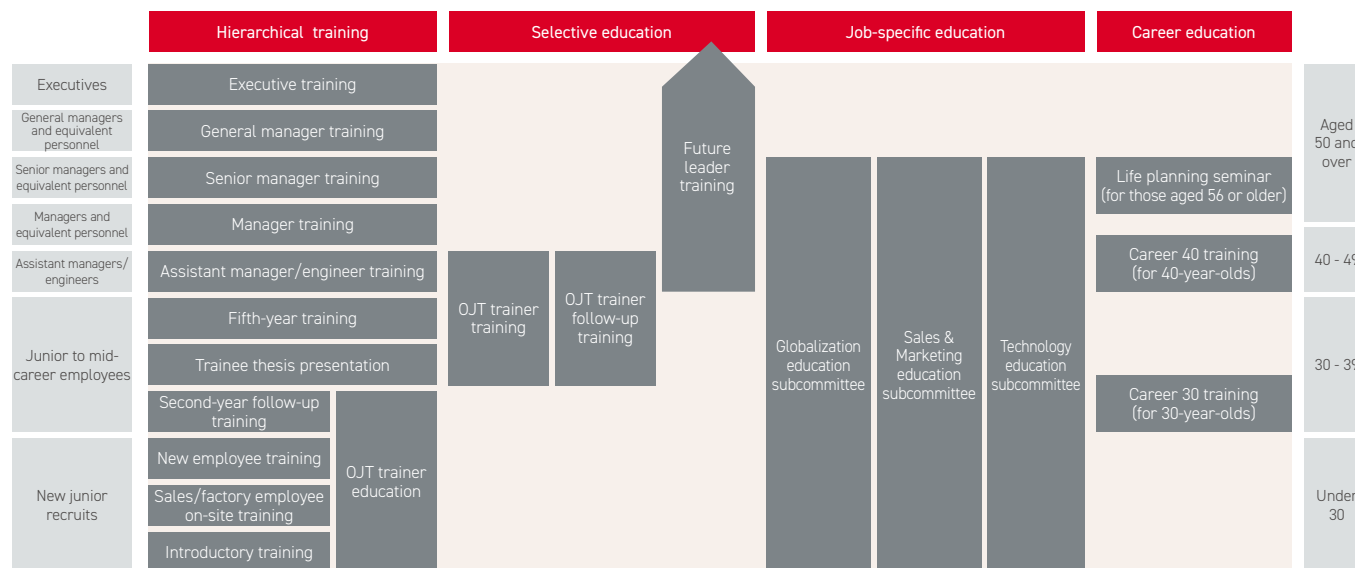
Based on these policies, we conduct a hierarchical career education program, and during the evaluation period, training to personnel evaluators to enhance the capabilities of our personnel.

In fiscal 2022, we redefined “Succession Human Capital” as the core of our human resources portfolio, and reviewed our next generation leader selection and education programs based on this definition.

Furthermore, we implement personnel development measures in 3 areas: Globalization, Sales & Marketing, and Technology. This includes training tailored to each specialized field and hierarchy level, global education such as overseas training, and regularly updated education themes and methods aligned with current trends. Through a wide-ranging educational curriculum, we nurture talent capable of generating new value.

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Human resources development system



As for the successor training program, we redefined the qualifications, capabilities, and experience required of Maxell's executives, and select future and upcoming executive candidates through our human resources committee. We are planning to create a strong workforce able to create robust new businesses by revising our education programs for selected participants to place greater emphasis on practical workplace training, and by promoting job rotations and other measures.

Action plan

Promoting diversity and inclusion (utilize diverse human resources and accept different values)

KPIs

- (1) Improve overall satisfaction in employee awareness survey: 90% or higher (FY2026)
- (2) Recruitment ratio of female graduates: 50% or higher for administrative jobs, 25% or higher for engineering jobs

"M-Wing" diversity promotion project

At Maxell, we emphasize diversity and inclusion and aim to enhance organizational problem-solving capabilities, creativity, and flexibility by harnessing personnel with differing values, sensibilities, and experience. In particular, we place strong emphasis on activities at "M-Wing," a company-wide project run by members selected from each business division. The project's slogan is "companies and workplaces where everyone can thrive," and we continue to work towards this goal.

In addition to M-Wing activities, in fiscal 2023 we also conducted workshops for executives, where the importance of promoting diversity and inclusion at Maxell as well as the current challenges we face in this area are discussed.

Our management team and employees are working together to ensure Maxell is a company where a diverse workforce can work comfortably and thrive.



Poster explaining "M-Wing" activities

Promoting Women's Advancement in the Workplace

At Maxell, we are raising awareness of diversity, particularly among management and leadership-level personnel. We have also been working to revise company policies to facilitate more flexible working arrangements and actively promoting recruitment and appointment of women while nurturing role models. In fiscal 2019, Maxell achieved a 2-star "Eruboshi" certification, which is awarded to companies in recognition of outstanding efforts in promoting women's participation in the workplace. We are committed to further advancing women's participation in our workplaces.

We have set targets for the ratio of female hires among new graduate recruits, and are aiming to continue achieving a rate of 50% or higher for administrative jobs and 25% or higher for engineering jobs. For new hires in fiscal 2023, the ratio of female hires in administrative and sales positions exceeded that of male hires for the first time.



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Gender ratio* of new graduate recruits

	Female	Male
FY2021 cohort	22.2%	77.8%
Engineering jobs	16.7%	83.3%
Administrative/sales jobs	33.3%	66.7%
FY2022 cohort	15.0%	85.0%
Engineering jobs	11.8%	88.2%
Administrative/sales jobs	33.3%	66.7%
FY2023 cohort	36.4%	63.6%
Engineering jobs	29.4%	70.6%
Administrative/sales jobs	60.0%	40.0%

* Gender ratio among recruits with a bachelor's degree or higher

Creating Pleasant Workplaces

Maxell has established a variety of flexible work arrangements to ensure that all employees can work flexibly in a way that matches their lifestyles and life stages. To facilitate a balance between work and family life, especially for those engaging in childcare and nursing care, we have established systems that go beyond legal requirements. The ratio of employees who return to their jobs after taking childcare or nursing care leave stands at 100%.

In fiscal 2022, the rate of male employees taking parental leave reached 40%. In fiscal 2023 we are introducing an additional five days of paid parental leave at birth and working on creating workplaces where taking parental leave is easy.

Employees taking childcare and/or nursing care leave

	FY2019	FY2020	FY2021	FY2022
Childcare leave	9 employees	9 employees	14 employees	15 employees (10 female, 5 male)
Nursing care leave	1 employee	1 employee	0 employees	1 employee

Aiming to improve overall satisfaction in employee awareness surveys

At Maxell we conduct an employee awareness survey once a year. In fiscal 2021, approximately 2,000 Maxell Group employees were surveyed. The survey primarily assesses employee perceptions regarding the effectiveness of organizational activities, individual job satisfaction, education, and satisfaction with employee treatment systems.

In fiscal 2022, improvements were observed in the areas of "acceptance of diversity" and "satisfaction with employee treatment systems," indicating that ongoing work on human resources measures is yielding results. To continue enhancing satisfaction, we will focus on initiatives such as talent management to enable individuals to build their careers and acquire the skills they need, organizational invigoration through communication initiatives, and management enhancement measures utilizing 360-degree feedback.

Overall satisfaction score for company life (maximum 7.00 points)

FY2018	FY2019	FY2021	FY2022
4.11	4.29	4.37	4.50

* Employee awareness survey was not conducted in FY2020.

Promoting digitalization to assist with work style reforms

Maxell is proactively promoting digitalization as a key measure in strengthening its management foundation and advancing work style reforms.

To strengthen our management foundation, we are carrying out business reforms and revamping our core systems to standardize operations, moving away from the current form of management in which each domestic and overseas site establishes its own operational foundation individually. In this way, we are working towards lower operation costs, stronger corporate governance, and optimized utilization of human resources.

We are aiming to realize automation of operations and increase operational efficiency as much as possible particularly in indirect departments such as general affairs, accounting, and business operations, and looking to enhance productivity and reduce costs by promoting the digitalization measures in the upper right corner.

Maxell's digitalization initiatives for work style reform and productivity enhancement

- Establishment and enhancement of teleworking environments.
- Online meeting standardization, streamlining, and stabilization, and promotion of efficient meeting format
- Shift to paperless operations
- Promotion of cloud utilization
- Digitalization of application approval and circulation procedures
- Business streamlining and digitalization through utilization of robotic process automation
- Strengthening of security measures in response to increased cloud utilization and teleworking

Action plan

Improve productivity and promote the transmission of skills through the standardization of business processes

KPIs

- (1) Improve job satisfaction level in employee awareness survey: 90% or higher
- (2) Company-wide education* target achievement rate:

Maintain at 100% **NEW**

* Management (hierarchical and selective education), sales, technology, global education, etc.

Developing 5G/IoT engineers through IoT Human Resources Development Program

We aim to develop 5G/IoT engineers who can play an active role in the creation of IoT businesses, acquiring knowledge on programs related to IoT through practical education provided via the IoT Human Resources Development Program. Specifically, we provide opportunities for employees to learn practical programming and master the programming language Python with the aim of nurturing personnel who can use their IoT and AI knowledge to implement devices and applications. Approximately 60 employees are currently participating.

By steadily implementing such initiatives, we are strengthening our ability to connect needs and seeds based on reliable technologies, ultimately enhancing our capacity to create new businesses based on IoT and AI technologies.

In addition to the specialized training mentioned above, to enhance the IT literacy of each employee, we have created an environment in which employees can continue to learn, including the preparation of a platform where they can learn basic computer skills and Office operation skills that are useful in the workplace. We set the implementation of a basic digital literacy education program

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for all employees as a KPI, and almost all employees participated in this in fiscal 2022. In the future, we will update the KPI for the "100% achievement of the company-wide education plan", which is determined by the education committee, including executives, to include new educational content. This will help drive improvements in employee productivity.

Promotion of occupational health and safety activities

Maxell Group's occupational health and safety activities

Maxell Group companies work as a team to carry out occupational health and safety activities under the basic policy of "Put Highest Priority on Health and Safety."

In fiscal 2022, the number of accidents remained largely unchanged year-on-year. However, we have intensified our efforts to eliminate recurrent accidents by "strictly adhering to basic safety behavior rules" and conducting "5W analysis (asking "why?" five times) for unsafe actions and conditions." In fiscal 2023, we will continue with these initiatives to strive for the elimination of workplace accidents.



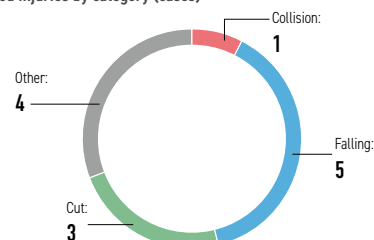
Mutual safety inspections



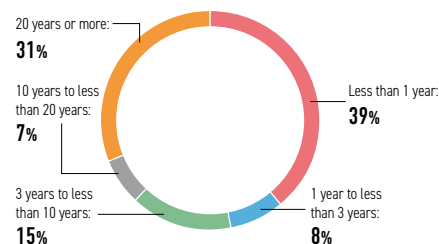
BCP (business continuity planning) disaster preparedness training

The domestic Group companies conduct "mutual safety inspections" to improve the degree of health and safety across the Group and promote communication from the point of health and safety. We are committed to creating a safety-conscious workforce and working towards achieving "zero accidents." All Group employees aim to establish pleasant workplaces where everyone can work safely and securely without accident and foster a culture of safety.

FY2022 work-related injuries by category (cases)



FY2022 work-related accident occurrence rates (by years of experience)



Efforts to maintain and promote employee health

Enhancing health management

Maxell recognizes that the well-being and active engagement of employees are essential for company growth and the enhancement of corporate value. Maxell is therefore committed to a health management approach aimed at maintaining and improving the health of employees.

Maxell utilizes employee health checkups and receipt data to implement preventive programs targeting individuals with lifestyle-related diseases as well as those at risk of such diseases. Maxell also ensures that employees seconded overseas undergo thorough health checkups to enhance health management.

With regard to mental health, Maxell has shifted the focus of its stress-related efforts towards stress prevention. This includes diagnoses focused on employee stress resilience as part of statutory stress checks, seminars explaining how to utilize stress check results, and guidance from instructors on how to prevent high-stress situations.

Maxell also provides, through its employee assistance program, individualized support for a wide range of concerns that employees may have. This includes support such as external counseling services and return-to-work programs to assist those returning to their workplaces, in addition to advice from specialist staff.

Through such efforts, Maxell has once again been recognized as a "2023 Certified Health & Productivity Management Outstanding Organization" (in the large enterprise category), following on from its recognition in 2022. Maxell continues to promote the selection of its Group companies as well, and is aiming for recognition as a "White 500" enterprise, focusing on enhancing employee welfare, various initiatives to prioritize the health of all Group employees, and creating comfortable workplaces.