

Employees

Based on “respect for individuals,” we will create a rewarding workplace where both employees and the company can grow together.

Respect for Human Rights



Basic Approach to Respect for Human Rights

The Company and its affiliated companies express the basic stance on respect for human rights in the following internal documents. By practicing these principles, we will respect human rights in Japan and overseas, comply with relevant laws and regulations, international rules, including the spirit of them, and fulfill our social responsibilities with high ethical standards toward the creation of a sustainable society.

●About “Respect for individuals”

“We respect the ideas and actions of the autonomy and independence of our employees and provide opportunities for them to develop through their work.”

●“Respect for the personalities and individuality of our employees and ensuring a good working environment” provision in the “Charter of Corporate Conduct”

“We will respect the personalities, individuality, and diversity of our employees, and ensure a safe and comfortable working environment to achieve a sense of comfort and well-being.”

●“Respect for Human Rights” provision in the “Code of Conduct”

“We will respect human rights and will not engage in discrimination or harassment.”

●“Creating a Bright Workplace” provision in the “TACHI-S Code of Ethical Practice”

Basic Approach

We will respect basic human rights and individual personalities, treat employees fairly and impartially, and work to create a safe, comfortable, and rewarding workplace.

In addition, we will comply with labor-related laws and regulations and the spirit of such laws and regulations, respect collective agreements concluded with labor unions, and strive to maintain and develop good relationships of mutual trust between labor and management.

Specific Conduct Standards

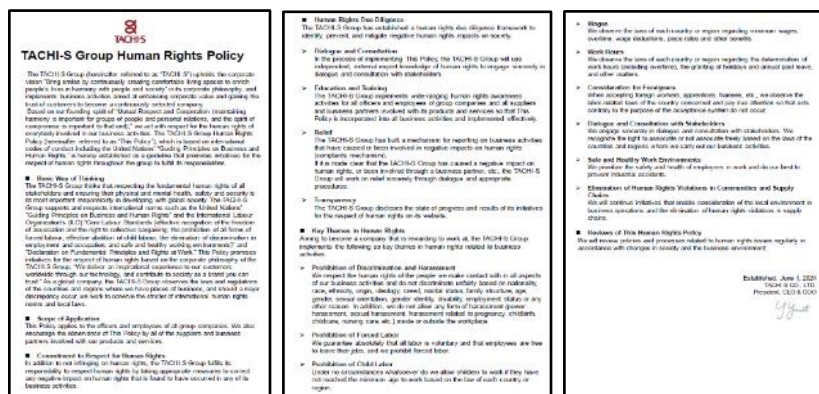
- (1) Respect human rights and do not discriminate, harass, or tolerate such conditions.
- (2) Observe laws and social norms, and work to remain in harmony with society.
- (3) Put top priority on ensuring safety and hygiene.
- (4) All must understand rules, instructions, and orders correctly and execute them faithfully in the performance of duties.
- (5) Mutual trust and cooperation to ensure efficient execution of work.
- (6) Any other dishonest or disloyal conduct prohibited by Employment Regulations must not be engaged in.

Initiatives to Respect Human Rights

We continue to provide education regarding “human rights” as part of “compliance education” and “corporate ethics training” sessions. In addition, with regard to harassment, we have stipulated “prohibition of harassment” in Employment Regulations in January 2017, we established the “Standards for the Prevention of Harassment.” In establishing these standards, we conducted group training for managers and distributed the standards to workplaces. Going forward, we will monitor social trends related to human rights and promote educational activities for our employees.

Human Rights Policy Development

Based on the founding spirit of "Cooperation through Mutual Compromise" (We value a spirit of mutual compromise in order to achieve harmony), the TACHI-S Group will practice actions that respect the human rights of all people involved in our business activities. As a guideline to promote group-wide efforts to respect human rights and fulfill our responsibilities, we have developed the "TACHI-S Group Human Rights Policy", which is based on the UN "Guiding Principles on Business and Human Rights" and linked to TACHI-S's purpose.



➤ [TACHI-S Group Human rights policy](#)

Labor law-related risks

Every year, the TACHI-S Group conduct a self-inspection of labor law-related risks, including whether there are any problems due to employee grievances or dissatisfaction in terms of salary, compensation, or benefits; whether there is any discrimination based on sex, religion, nationality, or other unjust reasons; whether there are any problems with the labor union; and whether there are any sexual harassment or power harassment problems. We conduct self-inspections to ensure that there are no problems with the labor union, sexual harassment, power harassment, etc. When problems occur, improvement measures and plans for improvement are formulated and checked on the improvement management chart every quarter period.

Respect for Human Rights in the Supply Chain

The TACHI-S Group has established “CSR Guidelines for Suppliers” to promote respect for human rights throughout the supply chain. We also ask suppliers to respect human rights in our basic transaction agreements and “CSR Guidelines for Suppliers”. We have implemented this program for our global affiliates from FY2022.

Human Rights Due Diligence

The TACHI-S Group has established a human rights due diligence mechanism to identify the negative human rights impacts of TACHI-S on society, working to create a mechanism to prevent and mitigate such impacts. In order to identify and improve current risks, we conducted on-site inspections by human rights experts at some of our domestic affiliates. We will work on improving one by one to prevent and reduce human rights risks. We will also provide education on human rights to board members and related personnel.

Dealing with Harassment

We have included a section on harassment in our annual internal climate survey to understand the current situation and resolve issues. We also conduct compliance training every year and work to disseminate company policies through periodic compliance education and the distribution of compliance e-mail newsletters.

Approach to Human Resource Management

We believe that it is our corporate social responsibility to respect the ideas and actions of autonomy and independence of each individual employee who is entrusted to us by society, and to provide them with opportunities to develop through their work. To this end, we respect the character, individuality, and diversity of our employees and, by ensuring a safe and comfortable working environment, we will fulfill our responsibilities at work, at home, and in society. We will promote the creation of a vibrant and rewarding workplace where both employees and the company can develop together.

■ Basic employee data (Scope: Japan, as of the end of the fiscal year)

	FY2022	FY2023	FY2024
Number of employees (total)	1,200	1,190	1,226
Management (Male)	182	170	171
Management (Female)	8	8	7
General employment (Male)	899	894	917
General employment (female)	111	118	131
Number of new graduates hired (persons)	39	39	49
New graduate retention rate (%)	87	87	84
Number of career hires (persons)	31	58	61
Percentage of career hires (%)	44.3	59.8	55.5
Percentage of employees who quit within 3 years (%)	23.8	32.4	25.6
Percentage of women in new graduates (%)	15.4	15.4	24.5
Average age (years)	38.6	38.8	38.9
Average years of service (years)	14.7	14.7	14.7
Number of foreign employees (persons)	31	29	44

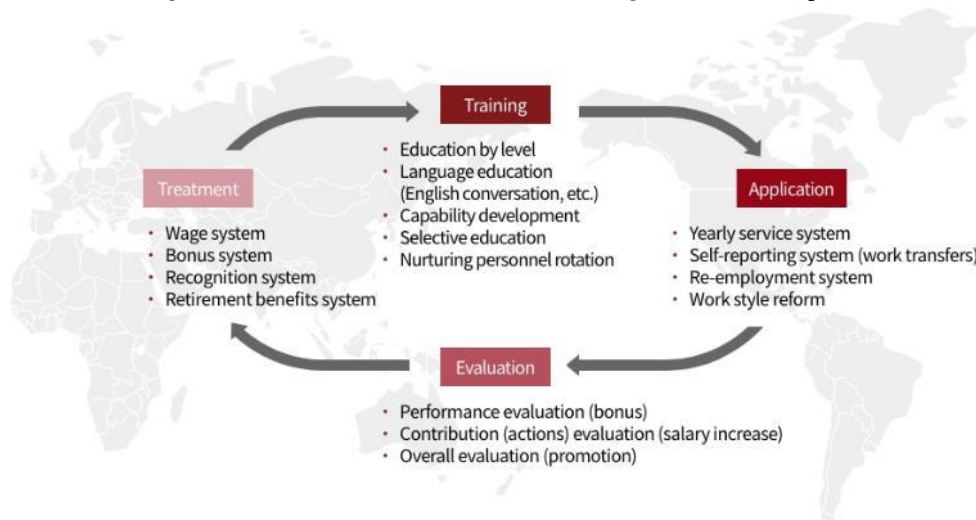
Personnel Evaluation and Compensation System

In fiscal 2017, we introduced a new annual personnel evaluation and compensation system that emphasizes four points: rectification of seniority-based treatment for managers, reflection in the degree of contribution to the company, compensation system based on the performance of the company, departments, and individuals, and motivation to take on challenges.

In addition, from April 2019, we introduced a personnel evaluation and compensation system that focuses on early promotion to management positions, raising wages for young to mid-career employees, promotion and salary increase based on evaluation, and correction of seniority treatment.

Through these system reforms, we will stimulate employees' motivation to take on challenges and work together to develop the company and realize a rewarding workplace where employees can have dreams and pride.

Overview of the personnel evaluation and compensation system



Introduced a new evaluation system for managers

A new evaluation system for managers was introduced in FY2022.

Ensuring that the process of the new evaluation system is implemented will likely lead to motivation, acceptance, and effective training for the evaluation. The following process will be used to implement the new evaluation system.

[Goal-setting session]

In order to ensure a sense of fairness throughout the company, we have started the year by having evaluators discuss the validity and difficulty of the subject's goals across departments, and have a sense of level and recognition of the goal setting.

Regarding the goals set in this way, we would like to ensure transparency and minimize the sweetness of evaluations between departments to ensure fairness by evaluating the status of achieving the goals at the time of evaluation decision at the end of the fiscal year.

[Quarterly feedback]

Every quarter, supervisors and subordinates mutually confirm the process, issues, expectations, and degree of achievement toward goals to make early awareness and course corrections, and we hope to increase the sense of satisfaction of the assessee by preventing surprises from occurring in the results of year-end appraisals.

★By changing to an evaluation system that utilizes the above process (goal setting feedback), we will lead to an improvement in motivation and a sense of satisfaction of the Assessed.

[Conducting a meeting to determine year-end performance evaluation results]

Through the process of evaluating human assets strictly from two perspectives, performance and value (contribution), the evaluators' perspectives on human assets (goal setting, evaluation, and contribution) are aligned with each other, thereby minimizing the possibility of errors between the evaluators.



Visualization of human resource positioning by 9 blocks



★The above process (evaluation result determination meeting) will map human resources in relative terms to grasp individual characteristics (strengths and weaknesses) and link them to the placement of the right personnel in the right positions and human resource development plans.

I To Enhance Employee Satisfaction

In order to think of "work style reform" as "lifestyle reform" and make "the way of life of the company" and "the way of life of employees" more valuable, we will start full-scale work style reform activities from fiscal 2020, and each department will start self-propelled from fiscal 2023. We aim to ensure that each and every employee who works at our company enjoys their daily lives while feeling rewarded, which leads to high results as a company, and enhances both the value of the company and the happiness of employees

■ The keyword for improving employee's job satisfaction is "sharing thoughts and feelings"

We are a manufacturing company, but we believe that the source of everything we do is "people".

Each and Every of our employees has a dream of "I want to become like this!" and "I want to achieve this!".

We will create Well-being Happiness together by mutually sharing each other's thoughts and feelings.



■ Example of initiatives

- (1) Survey on employee job satisfaction: Conducted annually.
- (2) Team activities to improve job satisfaction in each department: Based on the results of (1), we will carry out PDCA activities for improvement on a daily basis.
- (3) Improving the quality of management and making it more rewarding... We have started implementing tools to improve organizational outcomes, and we plan to conduct diversity training for both managers and selected employees.
- (4) Revision of the personnel system We are revising our personnel system so that employees will choose a career track upon promotion to a certain grade, supporting the realization of their career plans.
- (5) Supporting employee self-actualization: Introducing internal recruitment and FA system to support career development for employees' self-actualization.
- (6) Improvement of working environment: Activities to improve facilities and equipment at factory sites and indirect offices are being implemented by employees.

I Basic Approach to Human Resources Development

We define the “human resources we seek” as follows.

Human resources sought by TACHI-S

Under our “Transformative Value Evolution (TVE)” medium-term management strategy for 2025 to 2027 period, the TACHI-S Group will continue to enhance corporate value with our “One Global Team” and aim to be a “Continuously Selected Company” based on the trust of our customers. Furthermore, we will promote the expansion of global business while clarifying the image of the human resources that the TACHI-S Group aims for, transcending differences in countries, regions, cultures, climates, and companies.

- Sympathize with the spirit of “Cooperation Through Mutual Compromise” *1
- Product results while embodying the “S” *2 in TACHI-S, the starting point of our business.
- Pride in being an employee of TACHI-S and the ability to compete globally.*3
- We are human resources who embody the concept of “All in the world are under the same sky*4” and develop together with the company.

The Director of Human Capital Development and Promotion Department

Tomohiko Baba

April 1, 2025

- *1 “Cooperation Through Mutual Compromise” is a teaching of our founder, Nobuyoshi Saito. Basic values based on trust and the bonds we share created through mutual respect and communication that have been handed down since the company was founded.
- *2 The “S” in the TACHI-S name refers to the founding spirit (which also begins with “s”) of Spring (growth), Spiral Up (continuous improvement), Sympathy (empathy), etc.
The “S” for employees refers to Social (social contribution), Sustainability, Safety, etc. The “S” for worksites means Sorting, Setting in order, Shine, Sanitization, Standardization, and Sustaining discipline.
- *3 “the ability to compete globally” means that all employees, including those in Japan, must aim to be among the best in the world.
- *4 The phrase “All in the world are under the same sky” is from the “Book of Five Rings” by Musashi Miyamoto and expresses a mindset of working tirelessly with the same goal in mind.

■ **The behavioral characteristics necessary to be an “All in the world are under the same sky” type of human resource**

Attitudes	Actions
Think from the customer’s position Understand expectations and needs from the customer’s position and strive to exceed them	Commit and produce results Take responsibility for your own accomplishments and focus everything on achieving results
Work as a team across functions and regions Work as a team to achieve objectives and targets, going beyond functional and regional barriers	Take the lead, move forward Act independently and increase your motivation and that of your team
Accept diversity, understand it, and put it into action Accept different opinions and ideas enhance their value through interaction. Consider the impact of your actions and work together to address them	Look for the better way Pursue effectiveness and efficiency in the organization and work to always make things better
Passion for learning for self-development and realizing a learning organization Have a passion for learning from every opportunity. Realize that your or your organization’s ideas are not the best, seeking ways to get the information you need.	Act quickly and efficiently Be aware of and working on speed and efficiency
Focus on the site, the actual things, and reality Understand the purpose and essence of occurring events and explore ways to respond to them.	Spiral up through the PDCA Establish KPIs for results and processes, and constantly implement the PDCA cycle to achieve growth

■ **Human resource requirements for creating unique added value for TACHI-S**

Philosophy, ideology, and organizational climate	Wisdom/tacit knowledge	Loyalty
•Ability to understand, empathize with, and spread the company motto, management philosophy, and management ideas, and ability to shape the corporate culture •Extensive internal networking •Top management communication skills •Ability to communicate and pass on organizational culture	•Ability to understand and develop the strengths and uniqueness of one’s business •An unceasing spirit that strives to be first-class in the organization by honing with a unique spirit •Cutting-edge and unique wisdom born of industry networking and information gathering •Ability to transfer tacit knowledge	•Fostering a sense of belonging and a spirit of love for the company •Contribution to the sense of unity in the organization

Human Resource Development Program

We have established the HRD* Committee with the aim of promoting human resource development efficiently and effectively, and examines systems related to human resource development and formulating and implementing a skill development plan (an annual education plan).

We are building an environment in which each employee can develop his or her career autonomously.

*HRD = Human Resources Development

Tiered education	• We aim to improve skills to understand the "roles" and "behavioral characteristics" of each hierarchy and utilize them in business execution.
Corporate-wide education	• We provide compliance training and information security training to cultivate a legal compliance mindset among employees and support their self-development.
Departmental Education	• To become a professional in each department (job category), we aim to improve technical skills.

HRD Education System Chart

Education Classification	Tiered Education	Corporate-wide Education	Departmental Education
Managerial Position	Training for Newly Appointed Managers Action Learning Training Leadership Training	Career Development Education Introduction to Manufacturing Language Training (TOEIC) Environmental Education Accounting and Finance Education Information Security and Digital Transformation (DX) Training Legal and Intellectual Property Education Compliance Education Quality Education Correspondence Courses	Technical Skill and Thematic Training by Job Level and Department Characteristics
General Staff	New Employee Training New Employee Follow-up Training Competency Training Next-Generation Leadership Training		

Educational Performance Data (TACHI-S business locations in Japan)

✓Company-wide education (Number of participants)

Training Title	FY2022	FY2023	FY2024
TOEIC	125	41	57
Life Plan Training	44	52	71
Compliance Training session	300	138	684
Second Career Training	25	3	24
Career Vision Training	-	231	-
Training to Understand Financial Statements	17	29	134

✓Tiered training (Number of participants)

Training Title	Target group	FY2022	FY2023	FY2024
Training of New Employees	New employee	39	12	49
Competency Training*.	General staff (~Chief)	186	182	208
Training for New Managers	New managers	11	8	14
Action Learning Training	Managerial position (Section Chief to General Manager)	151	172	34

*Competency training (leadership, problem solving, facilitation, management, presentation)

✓Departmental Education (Number of participants) (Examples)

Training Title	Target group	FY2022	FY2023	FY2024
Tiered Training for Development and Technology Departments	New employees to new managers	23	34	61
Beginner to Advanced Supervisory Training	Team leader to new management	82	49	68

✓Training hours per person

Training Title	unit	FY2022	FY2023	FY2024
Training Hours per Regular Employee*	Hours	3.7	5.5	5.6

*Time for regular employees to attend training courses sponsored by the Human Resource Development and Promotion Department.

Employee Reward System

We have established a commendation and award system to recognize employees and organizations that have achieved outstanding results through their work, and that have brought honor to the company.

Employee reward system list

Company-wide Award

Award name	Award subject
Inventions and Ideas Award	For inventions and ideas that have contributed to the improvement of the company's performance.
Outstanding Workplace Award	For outstanding results in the overall evaluation of quality, productivity, safety and health, and QC circle activities in a manufacturing workplace.
Business Reform Award	For significant operational reforms in indirect operations and contribution to improved company performance.
Special Award	For contribution to the company's performance, good deeds, or increased name recognition that do not fall under any of the above.

Department Award

Award name	Award subject
Outstanding Plant Quality Award	For excellent quality plants (Evaluated and selected based on the Outstanding Plant Quality Award evaluation criteria)
QC Circle Award	For circles that practiced excellent QC (K2) circle activities (Evaluated and selected based on the QC circle activities evaluation criteria)
Excellent Workplace Productivity Award	For workplaces that have achieved high productivity (plant nomination)
Department Special Award	For employees or organizations that have contributed to significant performance improvement in their department (Evaluated and selected based on each department's evaluation criteria)

Group photo of company-wide awards



Achieving Work-Life Balance

Achieving Work-Life Balance

The Group aims to create an attractive workplace where both employees and the company can grow together by improving the working conditions and environment, processes and systems, and workplace communication, to create a rewarding work environment where employees can balance work and family life, and where increased employee motivation leads to increased added value and productivity (creating value and producing results). Specifically, we conduct educational activities and ensure compliance with labor-related laws and regulations, work with labor and management to curb long working hours, have NO OVERTIME DAY at each business site, and we conduct activities to promote the use of paid leave and set up days to promote such use.

In particular, for employees in factories, we promote development of multi-skilled human resources and the introduction of a relief man system to create an environment where employees can systematically take paid leave.

■ Total annual working hours (TACHI-S business locations in Japan)

(unit: hours)

	FY2022	FY2023	FY2024
Overall	2,085	2,084	2,019
Male	2,112	2,114	2,032
Female	1,835	1,840	1,920

- Target: Full-time employees (general positions)
- Excludes employees on leave
- Excludes employees who joined or left the company mid-year

■ Annual paid leave usage rate (TACHI-S business locations in Japan)

(unit: %)

	FY2022	FY2023	FY2024
Overall	54.0	72.4	70.1
General position average	57.1	76.3	74.3
General employees (male)	55.2	75.7	72.8
General employees (female)	73.2	78.6	85.4
Management position average	39.7	54.2	48.3
Management positions (male)	37.2	53.6	47.2
Management positions (female)	71.9	68.3	69.9

- Target: Full-time employees (management positions), full-time employees (general positions)
- Includes employees on leave
- Includes employees who joined or left the company mid-year

■ Support system for childcare, nursing care, and work-life balance

System name		Main Support
Childcare related	Childcare Leave System	In principle, a system that allows employees to take leave to care for a child under one year of age.
	Exemption from overtime work	In principle, a system that allows employees to limit their work hours to 8 hours when taking care of a child under 3 years of age.
	Limitation on overtime work	In principle, a system that allows the limiting of overtime work hours when caring for children up to the age of entering elementary school.
	Limitation on late-night work	In principle, a system that allows the limiting of late-night work when caring for children up to the age of entering elementary school.
	Shortened Working Hours During Childcare	A system that allows employees to reduce prescribed working hours by up to six hours when caring for a child up to the age of elementary school graduation (treated as unpaid official leave). (Female employees raising children under the age of one may apply for additional childcare time of 30 minutes each, twice a day.)
	Sick/injured childcare leave	A system that allows employees taking care of a child up to the age of entering elementary school to take leave of up to 5 days per year for one child, or up to 10 days per year for two or more children before entering elementary school (treated as unpaid official leave) in half-day units (one-half of the prescribed working hours) to care for sick or injured children.
	a fertility treatment leave system (birth support leave)	This system allows employees to take 5 days of leave when it is necessary for infertility treatment and an additional 5 days of leave (treated as paid leave) when frequent visits to the hospital are necessary, such as for in vitro fertilization.
	Interview prenatal and postnatal childcare leave	We conduct interviews before, during, and after maternity/childcare leave so that employees can take leave and return to work without concern. This system is designed to support a balance between work and childcare.
Family care related	Family Care Leave System	In principle, a system that allows employees caring for a family member in need of nursing care to take a leave of absence for a total of 365 days, in up to three installments per family member who needs nursing care.
	Exemption from overtime work	In principle, a system that allows employees to limit their work hours to 8 hours when caring for a family member in need of nursing care.
	Limitation on overtime work	In principle, a system that allows employees to limit overtime work hours when caring for a family member in need of nursing care.
	Limitation on late-night work	In principle, a system that allows employees to limit late-night work when caring for a family member in need of nursing care.
	Family Care Shortened Working Hours System	In principle, a system that allows employees to limit their working hours to 6 hours when caring for a family member in need of nursing care (treated as unpaid official leave).
	Family Care Leave System	A system that allows, as a general rule, employees taking care of a family member in need of nursing care to take leave of up to 5 days per year for one family member, or up to 10 days per year for two or more family members in need of nursing care (treated as unpaid official leave) in half-day units (one-half of prescribed working hours).
Achieving work-life balance related	Promotion of work from home	In principle, the system allows indirect employees to work from home using information devices owned and managed by the company to suit their individual lifestyles.
	Introduction of flextime	In principle, the system allows employees working in indirect workplaces to decide their own start and finish times, as well as working hours within the scope of their total monthly working hours.
	Volunteer leave	A system that grants leave for the period necessary for voluntary, unpaid activities that contribute to society.
	Vaccination leave	A system that grants leave on the day of vaccination, and the day following vaccination for medical treatment of any adverse reactions from vaccination as deemed necessary by the company.
	Hourly Paid Leave System	This system allows employees to take annual paid leave in hourly increments (minimum of one hour) within a range of five days per year out of the number of annual paid leave days.
	Leave system during working hours	In principle, this system allows employees working in indirect workplaces to leave their seats for up to two hours within their scheduled working hours.

■ Initiatives to improve the working environment

- Strategies and measures to increase parental leave utilization
- Automatic computer on/off capture for proper management of overtime hours
- Measures to improve the rate of paid leave taken (Information on days before and after long vacations to promote paid holidays, automatic distribution of e-mails to those who have not taken paid vacations, etc.)

■ Trends in the number of users of childcare and family care support systems (TACHI-S business locations in Japan)

(unit: persons)

System name		FY2022	FY2023	FY2024
Childcare Leave	Overall	17	17	17
	Male	11	13	14
	Female	6	4	3
Shortened Working Hours During Childcare	Overall	23	19	23
	Male	1	1	1
	Female	22	18	22
Family Care Leave	Overall	1	0	0
	Male	1	0	0
	Female	0	0	0
Family Care Shortened Working Hours	Overall	0	0	0
	Male	0	0	0
	Female	0	0	0

■ Other benefit programs

System name	Overview
Asset Accumulation Savings System	A savings support system designed to help employees achieve a rich and stable life.
Employee Petty Cash Loan System	System to contribute to employee welfare improvement.
Benefit Station	A benefit service that provides preferential discounts, etc., for various facilities (lodging, amusement parks, movie theaters, dining, fitness facilities, shopping)
Employee stock ownership	System to subsidize employees' medium- to long-term asset building

■ About attaining Childcare Leave/Shortened Working Hours During Childcare

(Kouhei Yoshida, Financial Management Section, General Accounting Department)

My first daughter was born, and I took approximately four and a half months of parental leave.

Thanks to the company-wide promotion of paternity leave and related education initiatives, the atmosphere was very supportive and made it easy to take the leave.

In particular, the understanding and cooperation of my supervisor and colleagues were invaluable. I received warm words of encouragement, which allowed me to take the leave with peace of mind.

Although my absence temporarily increased the workload for others, I am deeply grateful for the support I received.

During my leave, I took full responsibility for household chores for the first two months, including postpartum care for my wife, while also caring for our child.

It was a challenging adjustment to a new lifestyle, but the daily growth and cuteness of our baby gave me strength and helped me get through it.

By sharing the same direction and emotional commitment to parenting, I feel that the bond between my wife and me has grown stronger.

I strongly encourage all future fathers to take at least one month of parental leave.



(Nobuyasu Koyanagi, Manufacturing Section No.1, Musashi Plant)

I took 1 year and 4 months of parental leave, from December 15, 2023 to March 31, 2025.

Until then, I had hardly ever used paid leave and had never taken such a long break from work, so I felt very sorry toward everyone.

However, thanks to the warm words and encouragement from my supervisor and colleagues, I was able to focus fully on childcare.

Since my first children were twins, the challenges increased as they began to stand, crawl, and roll over.

But I'm truly glad I took parental leave, as I was able to witness precious moments that I wouldn't have seen if I had been working.



■ Benefits paid to regular employees but not paid to non-regular employees

Allowances that are standard for regular employees but not for non-regular employees include the following (TACHI-S non-consolidated)

- i. retirement allowance
- ii. severance (termination) pay
- iii. accident compensation
- iv. long service leave
- v. employee stock ownership plan
- vi. employee petty cash loan program
- vii. others

■ Minimum notice period for business changes

As a general rule, personnel changes are to be communicated to the labor union and the individual concerned at least one week in advance (or two weeks in advance if a relocation is involved). In addition, the labor union is to be notified and consulted at the earliest appropriate time regarding the establishment, consolidation, or reorganization of new business sites or offices that would involve the reassignment, transfer, or relocation of a large number of union members.

■ Living Wage

We review the starting salary for employees hired by our company to ensure that it does not fall below the minimum wage in Tokyo, regardless of their working style or location. Additionally, we negotiate with labor unions regarding wage increases and work to improve living wages through measures such as responding to price increases and benchmarking against companies of similar size in terms of sales revenue, operating profit, market capitalization, etc.

| Basic Approach to Occupational Safety and Health

We are striving to instill safety into our organizational culture by including it in our Code of Conduct and President's Policy.

The entire TACHI-S Group is promoting initiatives to prevent occupational accidents and improve working environments based on the Code of Conduct.

Code of Conduct for Ensuring Health and Safety in the Workplace

We will prevent accidents and ensure safe and comfortable workplaces with the understanding that safety takes precedence over all other operations.

“Safety and health Policy”

1. Basic philosophy:

Prioritize “Safety” over everything.

We are committed to prioritizing safety over everything, striving to prevent disasters before they occur and working to create a safe and healthy workplace environment for both physical and mental health.

2. Health and Safety Policy:

We are committed to improving a safe and healthy work environment in all business activities associated with TACHI-S Group, in accordance with the following policies.

1) Comply with laws and regulations related to health and safety, as well as each company's safety standards and rules, to prevent workplace accidents before they occur.

2) Promote the creation of a disaster-free workplace through continuous improvement.

3) Establish a healthy and comfortable workplace environment for disease

Improve each individual's safety awareness and create a safe and comfortable workplace with everyone's participation.

Establishment: August 5, 2025

“President's Policy”

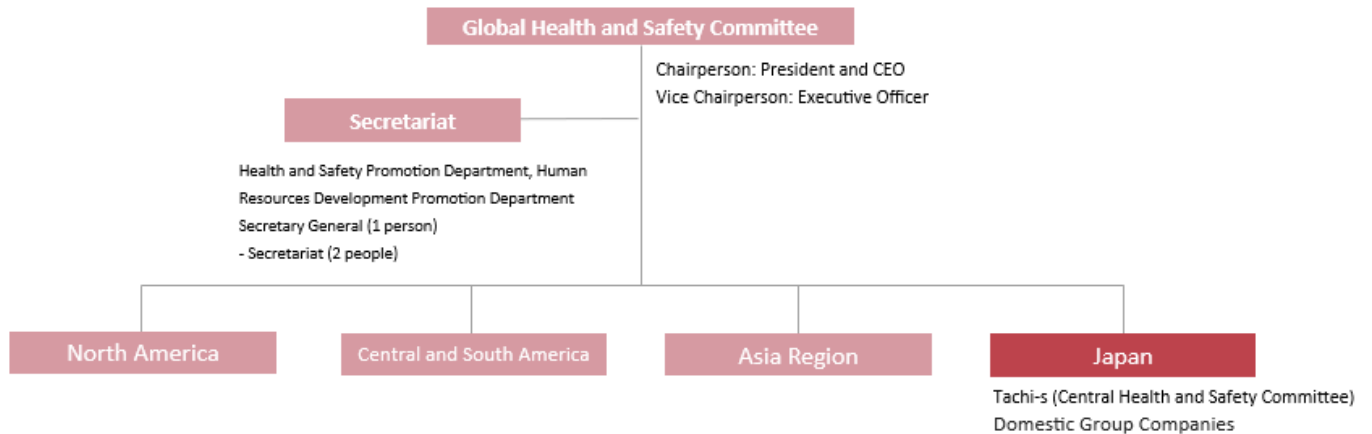
Safety takes precedence over all else

(excerpt from the President's Policy for this year)

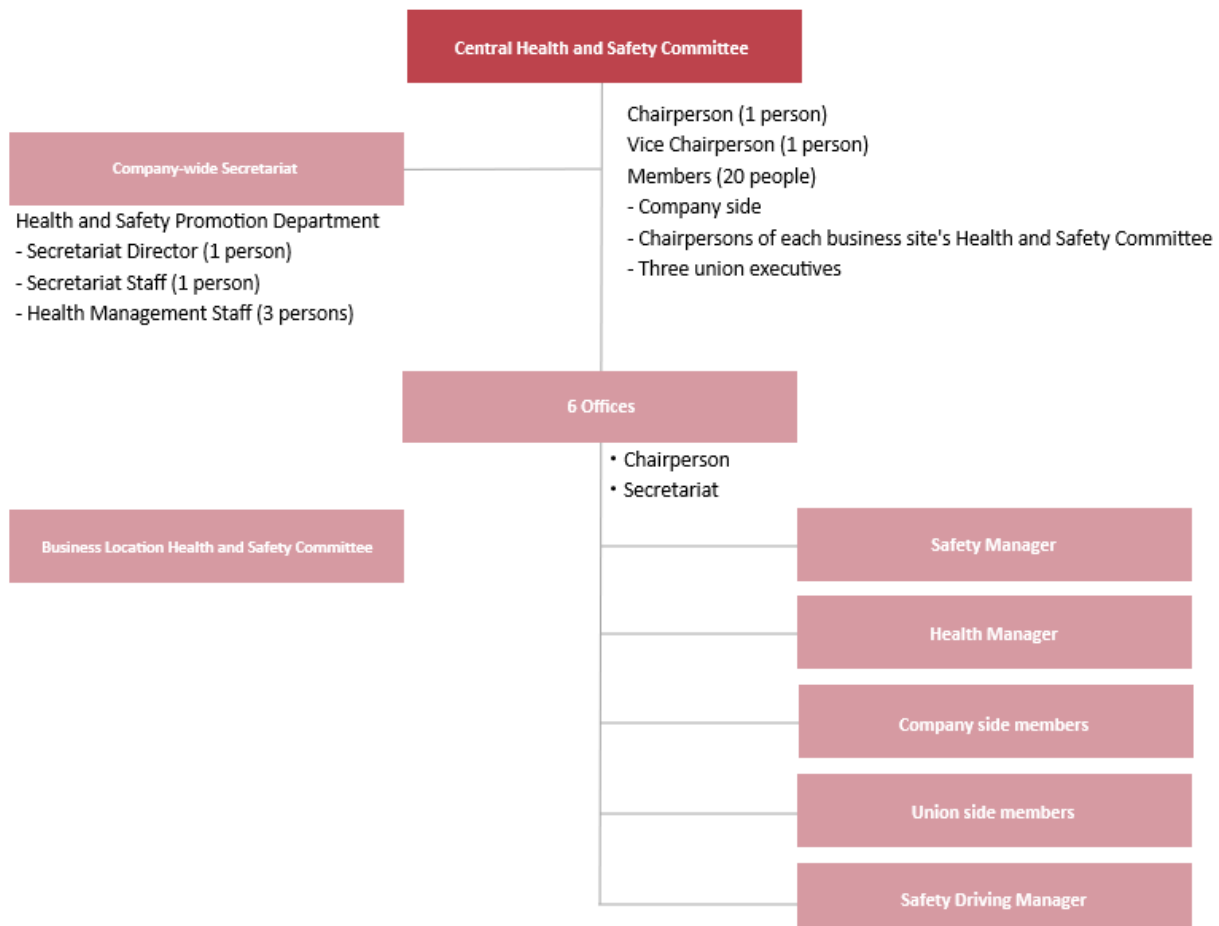
Promotion System Related to Occupational Safety and Health

We have established the Central Safety and Health Committee (secretariat: Human Capital Development and Promotion Department) to deliberate on important matters related to safety and health management, prevent occupational accidents, and improve working environments. This committee is chaired by a Director and Executive Managing Officer, and has two deputy chairs, a representative from each business site, Labor Union Three Highest Ranks and Executive Officers, for a total of 26 members. The committee meets twice a year in April and October. In addition, a Health and Safety Committee has been set up at each business site. They meet monthly to maintain and improve matters related to employee health and safety, such as improving the work environment and preventing accidents.

Global Safety and Health Committee Organization Chart



Central Safety and Health Committee Organization Chart



Targets and Achievements

We are working to achieve our goal of “zero occupational and commuting accidents” through our occupational safety initiatives. In fiscal 2023, both occupational and commuting accidents occurred. However, the frequency rate of the accidents were below the manufacturing industry average. In light of this, and to achieve the goal of “zero accidents,” we will steadily promote the following “activities to eliminate occupational accidents” and “activities to eliminate commuting accidents.”

FY2024 target

Target value: Zero for serious accidents, lost-time accidents, and commuting accidents.

FY2024 result (TACHI-S business locations in Japan)

Occurrence of accident		FY2022	FY2023	FY2024
Occupational accident	Number of accident(case)	6	3	8
	Lost-time accidents(case)	0	0	0
	Rate of accident※1	1.89	0.77	3.54
Commuting accident(case)		0	4	5
Fatal accident(case)※2		0	0	0

※1 TACHI-S accident frequency rate is an indicator that shows the frequency of work accidents occurring per 1 million labor hours, based on the total number of non-lost time accidents and accidents with one or more days off. This index represents the frequency of occupational accident occurrences per 1 million labor hours.

※2 An event involving injuries or illnesses serious enough to affect life.

Activities to eliminate occupational accidents

1. Strengthening workplace patrols and safety guidance by management
2. Safety education for new employees and work confirmation by supervisors
3. Implementation of safety awareness enhancement education for all employees

Activities to eliminate commuting accidents

1. Preventing commuting accidents when going to work (act with plenty of time to spare)
2. Accident/damage prevention (Danger prediction training)
3. Thorough re-education on traffic safety for employees

Initiatives to Ensure Employee Safety

To ensure the occupational safety of our employees, we provide in-house education on occupational safety and health, including safety and health training for site managers (six times per year), safety and health training for new hires (new and mid-career employees), and lifesaving first aid training, to help employees acquire proper knowledge and raise awareness about safety and health.

In addition, we continuously conduct safety diagnosis (risk assessment) of facilities and operations and conduct improvement activities based on the diagnosis. Based on this, the Health and Safety Committee meets once a month at each business site and conducts activities to ensure the safety and health of employees, including safety patrols, disaster information dissemination, health information notifications from the medical office, and the sharing of production status in the workplace. Furthermore, the Central Safety and Health Committee conducts annual labor safety patrols to prevent occupational accidents, raise awareness of safety, and strengthen occupational safety activities that incorporate the perspective of “cultivating awareness.”

Regarding traffic safety, traffic safety education is conducted during the spring and autumn traffic safety weeks with the aim of raising safety awareness. Traffic safety education is implemented in conjunction with these traffic safety weeks.



Evacuation Drill



State of the first aid and emergency rescue training

Initiatives to Promote Employee Health

To ensure the health of our employees, we conduct annual medical examinations and special medical examinations for our employees and provide health guidance and health consultation services. In addition, nurses and industrial physicians interview and provide guidance to employees who are suspected of overworking to manage their mental and physical health. In addition, we measure the working environment once a year at workplaces that handle substances subject to laws and regulations to prevent the generation of hazardous substances and ensure their proper management. In addition, to maintain and improve the health of our employees, we have established smoking areas to prevent passive smoking and provide the following health support.

■ Conduct health seminars (on-demand delivery)

We are providing video content on self-care by occupational physicians to support employee health. This initiative promotes new approaches to health management in response to the growing prevalence of remote work and raises awareness of self-medication practices.

■ Refreshing Health Festival

Every year the company, labor union, and health insurance union co-host a project to create a "healthy, bright, and energetic workplace" that will generate the power to foster a bright and energetic corporate identity and culture through exercise and strengthen solidarity and unity between the company and its employees, including employees and their families. The program is held to help create a "healthy, bright, and energetic workplace. (Walking, bowling, and other recreational activities)

■ Health Support System

As part of health management, we aim to further raise employees' health awareness by providing a full menu of health care benefits, including physical examinations, milestone checkups, gynecological checkups, and family checkups (for dependents).

field	Description				
	Type of medical checkup	Eligibility for examination			Usage fees
		Age	The applicable person	Family member	
Medical checkup	Same-day thorough examination	25 years and older	○	○	Subsidy 20,000 yen
	Age 40 milestone checkup	40 years old	○	-	Free of charge
	Independent medical checkup (employee gynecology)	18 years and older	○	-	Free of charge
	Family health checkup (facility)	35 to 74 years old	-	○	3,000 yen
	Family health checkup (patrol)		-	○	Free of charge
Health consultation	Physical and mental health consultation by phone available 24 hours a day, free of charge (Available to individuals, spouses, and dependents)				
Other	Influenza vaccination (subsidized)				
	Provision of physical education incentives				
	Rewards for good health (commemorative gifts)				

■ Distribution of childcare support magazines

As part of our childcare support program, we send several childcare support booklets free of charge for a certain period of time when you give birth to help families lead healthy lives.

Promotion of Activities for Diverse Human Resources

Toward Promotion of Activities for Diverse Human Resources

As the working population continues to decline due to the declining birthrate and aging population, we believe that creating an organization that employs diverse personalities and abilities is essential for survival as a global company. We are actively promoting the hiring of women, but the ratio of female employees (including managers) is not high, and we have no female executives. Therefore, to create a workplace environment where women can play an even more active role, we have formulated a three-year action plan (2025-2030) consisting of three priority goals, and we are strengthening and promoting our initiatives.

Ratio of women in managerial and general positions (TACHI-S business locations in Japan)

		FY2022		FY2023		FY2024	
		General position	Management position	General position	Management position	General position	Management position
Number of personnel	Total	1,010	190	1,012	178	1,048	178
	Male	899	182	894	170	894	171
	Female	111	8	118	8	131	7
Ratio	Male	89.01%	95.79%	88.34%	95.51%	87.50%	96.07%
	Female	10.99%	4.21%	11.66%	4.49%	12.50%	3.93%

Action Plan for Promotion of the Advancement of Women (April 2025 to March 2030)

Objective 1. Increase the percentage of women in hiring to at least 30%.

Objective 2. Increase the percentage of women in management positions to 15% or more.

Objective 3: Limit the average total annual working hours in indirect workplaces to 2,000 hours or less.

Employment of People with Disabilities

We actively promote employment of people with disabilities, whether in our offices or on manufacturing floors. In addition, ongoing education is provided for managers to promote employment and further their success in the workplace.

Number of employed people with disabilities (TACHI-S business locations in Japan)

(unit: persons)

	FY2022	FY2023	FY2024
Overall	29	27	26
Physically handicapped	9	7	9
Intellectually handicapped	15	15	14
Mentally handicapped	5	5	3

Promoting Employment of Senior Employees

As individual awareness of employment changes with the diversification of life plans, we introduced a system that allows individuals to choose their own career paths, and we completely support people staying in their jobs until the age of 60. We are striving to improve lifelong job satisfaction by providing highly satisfactory reemployment opportunities that meet individual needs through enhanced training programs. By doing this, we aim to motivate veteran and younger employees and revitalize the organization.

Second career related systems

Training	System	Course	Overview
Life Plan Training Second Career Training	Company Selection	Position Continuation Course	Continuation of current position (1-year contract)
		Special Position Course	Guidance for overseas bases/Launch of new domain themes (1-year contract)
	Individual Career Selection	Retirement Course	(Mediation by a re-employment support company available)
		Work Transfer Support Course	Mediation with a re-employment support company
		Re-employment Course	Redevelopment and reclamation workplaces

Number of re-employed senior employees (TACHI-S business locations in Japan)

(unit: persons)

	FY2022	FY2023	FY2024
Overall	16	15	12
Male	16	14	11
Female	0	1	1

Promotion of National Staff Activities

As a result of our rapid global business development, our consolidated net sales (285,394 million yen) and employees (10,560), including those of our overseas businesses, have greatly exceeded the net sales (107,272 million yen) and number of employees (1,226) of our domestic (non-consolidated) businesses. There is an urgent need to develop National Staff (local) to entrust management of our overseas business bases.

To do this, we are actively promoting the development and success of our National Staff by deliberately assigning them to top management positions in overseas operating companies, dispatching them to Japan on a fixed term basis, and selecting them for human resource development programs.

Active participation of overseas employees

-- Experience of working on assignment from Mexico to Japan

Over many years, TACHI-S has worked sincerely to develop overseas management, and we have endeavored to promote diversity at the managerial and decision-making levels within the organization.

My stay in Japan has been a challenge for TACHI-S to learn how to embrace diversity at the upper levels of the organization. Personally, it has been a challenge for me to bring new perspectives and value to the company while dealing with different countries. I am pleased to have the opportunity to be involved in this type of initiative at such a great company.



※Assignment to North America from fiscal year 2025

-- Seconded from Mexico Affiliate to the Program Management Department at Headquarters --

Japan and Mexico are very different, so this move was an entirely new experience for me. I was able to show my skills and also learn so much from the other members. The differences between the two sides have created various ways of working. I am very happy working at TACHI-S.

Everyone is very kind and they look for ways to share the different parts of our cultures. I hope that this program will be continued and evolve over time. I think we still have many things to learn from each region to become a great company.



Foreign employees from Mexico