Business strategies for value creation

# **Human resource strategies** – Maximizing ISEKI Group's human resource capability –



**ISEKI Group will enhance engagement** and transform human resources to implement human capital management

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# Message from the Director in charge of personnel

ISEKI Group has been working on human capital management, where systems and workplace environments are in place to enable employees to work with passion, and each and every employee demonstrating their accumulated knowledge, skills, and experience leads to medium- to long-term corporate value improvement.

To enhance employee engagement, which is one of themes set out in the Mid-term Management Plan, the Group has been striving to strengthen its bond with employees by working to create employee-friendly and attractive workplaces, and rank-based training programs, based on the policy for workplace environment creation. In 2023, we increased the number of times engagement surveys are conducted on the talent management system to twice a year. We have also enhanced follow-ups on monthly pulse surveys to identify and resolve issues.

To transform human resources, the Group will direct its efforts toward the recruitment and development of human

resources who have high levels of knowledge, skills, and experience in such fields as cutting-edge technologies, global, and DX based on the policy for human resources development. We will also further work to promote diversity, such as to facilitate active engagement of female employees, foreign nationals, and mid-career employees, to press forward with the transformation of the corporate culture. To accelerate these initiatives, we are strengthening mid-career recruitment, and have also introduced such systems as a new training program for female employees, a language course based on e-learning, referral recruitment, and a return-to-job system.

The Group will develop human resources who will play leadership roles toward its 100th anniversary of foundation in 2025 and the next 100 years through scientific human resource management.

### > Policy for human resources development

ISEKI Group believes what contributes to the solution of various issues is people, who are essential for sustainable business growth and improvement of corporate value.

The Group will direct its efforts toward the securement of core human resources to execute its business strategies, such as cutting-edge technologies and promotion of globalization. To be a solution provider for agriculture and landscape, we will also bring out the full potential of each employee and develop human resources who actively take on challenges and bring about change, by further enhancing education programs for DX and other purposes.

### > Policy for workplace environment creation

Based on the Company motto of providing "a stable workplace to the employees," ISEKI Group aims to provide a safe and secure workplace to its employees as well as to create a rewarding workplace.

On the premise of respect for human rights and thorough compliance, we will work to enhance employee engagement and create a diverse, sound, and transparent workplace environment so that we can develop together with our employees.

# Enhancement of employee engagement

To realize "optimal allocation of human resources," a priority measure of the Mid-term Management Plan, the talent management system was introduced in 2021, for the purpose of visualizing skills and abilities of employees, and formulating careful personnel strategies. Semiannual engagement surveys and monthly pulse surveys are conducted through the system.

#### Our initiatives

Initiative	Frequency	Purpose	Style	Total number of questions
Pulse survey	Monthly	Regularly check and follow up short- term changes in physical and mental states, etc.	Questionnaire (5-scale assessment/open- ended question)	6
Engagement survey	Semiannual	Grasp engagement in detail through more thorough questions		30

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# Implementation status of engagement surveys

February 2025 (target) Overall satisfaction rate 70 0% July 2022 (result)

Overall satisfaction rate 55.9%

Response rate: 84.0%

Response rate: 83.3%

- Item with high satisfaction rate: interpersonal relationship
- **Issues:** personnel rotation, supervisors' management skills
- →Initiatives toward a solution: use of the talent management system for rotation, 360-degree evaluation of managers

• Items with high satisfaction rates: corporate culture, interpersonal relationship

February 2023 (result) Overall satisfaction rate **57.1**%

• Issues: wage system, personnel system

→Initiatives toward a solution: increase in base salary to improve wages, feedback of personnel appraisal results

### Transformation of human resources

#### > Development of global talent

To develop global talent as the entire Group, we launched a smartphone-app-based TOEIC preparation course in April 2023. Going forward, we plan to launch an advanced-level course and introduce an education program for digital talent to handle DX.

Total number of employees joining the initiative ..... 314 across the Group (as of March 22)

# Introduction of new recruitment methods

/ introduction of new recruitment methods			
Recruitment method	Overview of system		
Career registration	Prospective talented employees who are interested in us directly register with us, which increases matching opportunities		
Return-to-job (reemployment of former employees)	rment of information, and we reach out to them when a suitable position opens up		
Referral recruitment (employee referral)	Further promote employee retention by recruiting based on a referral from a trusted employee		



<sup>\*</sup>As of April 2023, the above systems are applicable to ISEKI & CO., LTD. (non-consolidated) only