

# Human Resources

To achieve sustained growth, dynamic organizations must serve as a foundation enabling diverse human resources to fulfill their potential. Despite the impact of COVID-19 in FY 2021, we created educational opportunities, holding online training and making greater use of our unique Learning Management System (ULVAC Academy Portal) than previously.

ULVAC will step up its engagement in organizational and human resources development more than ever, focusing on securing and cultivating tomorrow's leaders to strengthen the management base.

## Basic Policy

Amid intensifying global competition, with overseas sales accounting for 70% of total sales, in order to achieve sustainable growth of its businesses, the ULVAC Group needs to cultivate an environment where people with diverse personalities and strengths can maintain physical and mental health, bring their differing capabilities into full play, and enhance one another's effectiveness through friendly competition.

In the ULVAC Group, people with different backgrounds, in terms of nationality, ethnicity, philosophy, culture, language, gender, age, and

specialty, are flourishing. We respect such diversity and promote inclusion, innovating to resolve customers' and society's issues. By doing so, we aim to continue delivering new value that also leads to the personal growth of each employee.

Based on this approach, we are reinforcing the development of global human resources who are resilient to changes in the external environment and capable of working globally with an eye to the future from a broad perspective including the planet, society, markets and customers.

### Basic Policy for Human Resources Development

We are conscious that the most important resources for corporate vitality and competitiveness are the personnel and the organizations in which they work. We are conducting the following human resources development, based on the Basic Corporate Philosophy and the Management Policies.

1. Human resources who respect other individuals, trust each other and fulfill their responsibilities
2. Human resources who can see the true nature of each issue and create revolutionary technologies and projects with passion and tenacity
3. Human resources who are full of aspirations to improve themselves and take voluntary actions to achieve goals
4. Human resources who have a global perspective and aim to take leadership in exploring the world

## UL-GAIA 2021

ULVAC holds UL-GAIA to ensure that employees share and put into practice the Basic Corporate Philosophy, the Business Philosophy, and the Employee Principles, and furthermore, to commend their activities and recognize outstanding achievements. UL-GAIA is the acronym of ULVAC Global Awards of Improved Achievement. Likening the ULVAC Group to Gaia (the Earth), UL-GAIA reflects our desire to create an award to promote Group-wide unity worldwide and to combine our energy and expertise so as to put into practice the Basic Corporate Philosophy, the Business Philosophy, and the Employee Principles.

Until FY 2020, the theme of UL-GAIA was productivity improvement, but from FY 2021, UL-GAIA was repurposed as an "opportunity to share the best practices corresponding to the Basic Corporate Philosophy, the Business Philosophy, and the Employee Principles," thus promoting their deeper penetration since they embody the ULVAC Group's shared values and its orientation, and ensuring the wholehearted



participation of the entire workforce of the ULVAC Group in UL-GAIA. ULVAC has long been engaged in activities to deepen penetration of the Basic Corporate Philosophy, the Business Philosophy, and the Employee Principles. Nevertheless, with a view to ensuring ULVAC's sustainable growth amid intensifying global competition, we believe it is essential that our diverse workforce have a sure grasp of the Basic Corporate Philosophy, etc., take them to heart, apply them, share best practices, and encourage one another to excel. We are working to further strengthen our management base by maintaining the tempo of the UL-GAIA initiatives.

Owing to the COVID-19 pandemic, UL-GAIA 2021 was held as a hybrid event, combining online and in-person participation, as in the previous year. The number of entries tripled compared to FY 2020, owing to the change of the theme. The teams selected from these entries by screening in each country and region made memorable presentations expressing their commitment and creativity. Specifically, the change of

the theme to "putting into practice the Basic Corporate Philosophy, the Business Philosophy, and the Employee Principles" resulted in expansion of the scope of the activities featured at UL-GAIA. In addition to value creation through improvement and reform of value chain processes, maximization of synergy across the Group, and strengthening of cross-functional support and solutions for issues affecting multiple Group companies, all of which are in line with the previous theme of "Production Technology/Manufacturing Technology/Business Improvement," entries at UL-GAIA 2021 included activities designed to resolve social issues. By sharing the outcomes (benefits) of these activities and the process of problem solving throughout the Group, we aim to ensure that the entire workforce is fully aware of the importance of putting into practice the Basic Corporate Philosophy, the Business Philosophy, and the Employee Principles in their work. Furthermore, through horizontal deployment of the best practices presented, we aim to link them to further growth of the ULVAC Group.

## Selection Process



## Education Center Established

We established the Education Center in July 2022. Although we have been conducting activities such as visualization of human resources and other resources, including those of Group companies since FY 2019, from now on we intend to promote global human resources development and empowerment of diverse human resources. For the ULVAC Group's sustainable growth, people are the most important resource. Every employee must be given opportunities and encouraged to fulfill their potential by playing an active role in the ULVAC Group. The Education Center provides a wide range of opportunities and means for career development so that each employee takes a proactive and autonomous approach to one's own career and personal growth, so that the employees' personal growth and the company's growth will be linked more than ever before.

## Developing the Next Generation of Leaders

ULVAC conducted the ULVAC Executive Program (UEP) with the aim of cultivating leaders who will persistently and aggressively grapple with global change. The participants selected from among candidates at ULVAC, Inc. and domestic and overseas Group companies participated in the program over a period of six months. By combining UEP with the ULVAC Leadership Program (ULP), an education program for young leaders, we will focus on developing the next generation of leaders.

### Group-wide Level-specific Training and Training for Managerial Personnel

Level-specific education starts with an introductory program for new employees and includes a program for employees in their third year and subsequent programs according to internal qualifications and positions. We continue to redesign our education system. Specifically, we now provide training that runs for about six months

for newly appointed managerial personnel so that they can equip themselves with the managerial skills and operational knowledge they need as managers. To revitalize organizations, we also offer communication and management training for existing managerial personnel. The objective is to help them in their efforts to enhance their managerial capabilities so that they can flexibly respond to various changes in workstyles, such as the rise in working from home.

**Manufacturing Education**

Our vision is to offer a wealth of educational opportunities covering the diverse techniques and skills essential for manufacturing throughout the Group in a consistent and equitable manner. This wide-ranging education includes reskilling and the passing on of skills from one generation to the next. We are focusing on raising the level of the Group's technical capabilities through education on the fundamentals of manufacturing and vacuum technology, which constitutes essential knowledge for all ULVAC engineers. Furthermore, for trainees from Group companies in Japan and overseas, we have established a course that in a systematic manner covers ULVAC's history, culture, and management strategy as well as other subjects. We are also promoting personnel exchanges globally.

**Administration Education**

We provide training for employees engaged in administration so that they can acquire the basic knowledge required for their roles step by step and become adept. The program is designed to help trainees acquire a wide range of knowledge on such matters as economic and business trends, company policies and the mid-term management plan, basic knowledge of accounting and taxation, corporate governance, and the Companies Act, and also encourages them to take ownership of their education and training, showing initiative and pursuing personal growth with a view to the next stage of their career.

**Human Resources Rotation**

We are vigorously promoting human resources rotation in the Group, especially between ULVAC Head Office and overseas Group companies, as a measure to promote the diversity and inclusion mentioned above. Moreover, by vigorously promoting assignment of ULVAC employees to companies outside the Group on loan and vice versa, we are striving to vitalize human resources and establish human networks while also expecting to achieve innovation through technical exchanges.

**ULVAC Academy Portal**

Launched in 2016, the ULVAC Academy Portal offers and develops programs that can flexibly respond to the

increase in mid-career hiring and the flow of human resources among Group companies. Incorporating methods such as blended learning, which combines online training and group training, the portal has fulfilled a particularly important role in promoting self-motivated learning during the COVID-19 pandemic. We are also working to standardize training across the Group and offer an environment in which anyone can learn whenever they wish. Some 6,000 ULVAC employees have registered and are using the portal, which now supports Japanese, English, simplified Chinese, traditional Chinese, and Korean, and currently offers around 1,700 items of content.

Principal content	
Philosophy education	<ul style="list-style-type: none"> <li>● Message from the President</li> <li>● UL-GAIA presentation video clips</li> </ul>
Global education	<ul style="list-style-type: none"> <li>● Video clips of lectures and other internal seminars and online lectures</li> <li>● Language education before overseas assignment, cultural and history education</li> <li>● English education</li> <li>● In-house newsletters of Group companies</li> </ul>
Mandatory education	<ul style="list-style-type: none"> <li>● ULVAC service safety education, basic course on machine safety, basic education on product safety, etc.</li> <li>● Compliance education, research ethics education, basic environmental and safety education, traffic safety education, etc.</li> </ul>
Specialized education	<ul style="list-style-type: none"> <li>● Education linked to internal qualification systems such as for trade and security trade control</li> <li>● Engineering education on development, technology, design, production, etc., including manufacturing education</li> </ul>
General education	<ul style="list-style-type: none"> <li>● Education on health promotion</li> </ul>

**Human Resources Subcommittee**

We have established the Human Resources Subcommittee consisting mainly of young employees to thoroughly examine initiatives for sustainable management from the viewpoint of human resources

in order to achieve "our goal for 2050." Members of the subcommittee are drawn from various departments and roles, vary in age and genders are fully represented. They discussed various themes such as "how to raise awareness, how to promote diversity, and how to create a comfortable working environment and flexible workstyles necessary for promoting diversity" over a period of six months and drafted a proposal of concrete measures and presented it to management as a series of recommendations. The Human Resources Subcommittee is currently addressing the issue of how best to implement the proposed measures.

**Creating an Excellent Working Environment**

We are creating a working environment in which employees can demonstrate their strengths and originality while enhancing their productivity. Furthermore, we are developing conditions and programs that minimize the impact of life events, so that diverse human resources can flourish and perform well.

**Improvement of Systems for Flexible Workstyles**

ULVAC, Inc. offers a staggered working hour system and a flextime system. We also introduced an hourly annual paid leave system in 2020 that is used by many employees. The average number of days of annual paid leave taken is 12.3. We have also taken steps such as the introduction of shortened working hours and the establishment of satellite offices.

Many employees take advantage of systems such as childcare leave, the short-working-hours system for childcare, and nursing care leave. In order to facilitate the use of the systems, we are publicizing the systems by holding meetings to explain the details of the systems, including through the use of explanatory videos.

**Retention of Human Resources and Transfer of Technological Expertise**

Mindful that technological innovation is triggered by the integration of accumulated technology, new knowledge, and creativity, ULVAC emphasizes human resources development, the retention of employees, and the transfer of technological expertise. Specifically, we conduct a questionnaire survey of new employees six months after they join ULVAC, Inc. and their superiors, and any gaps in perception are promptly addressed.

The system for rehiring senior employees after mandatory retirement has taken root, and furthermore, we have set up a special employee system for post-retirement senior employees (after retirement at the age of 65) to create an opportunity for experienced employees to display their abilities and transfer their technological expertise to the next generation.

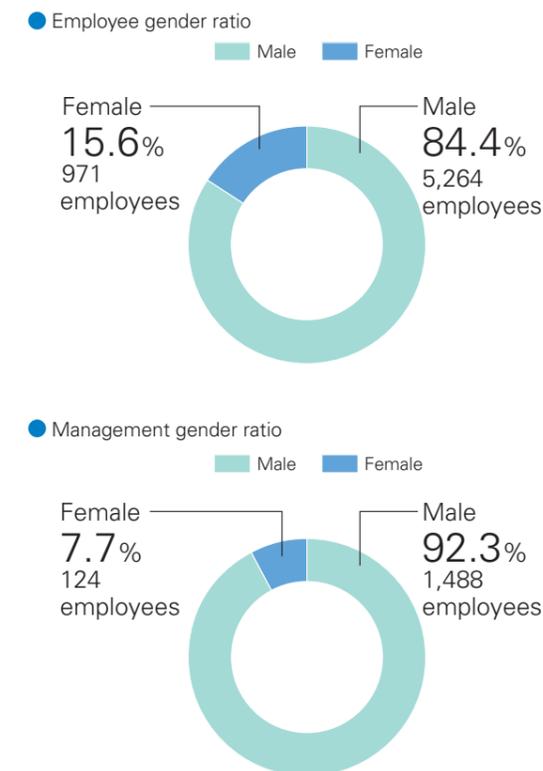
**Promotion of Diversity**

We believe that active participation of women is a key issue as we aim to create an environment in which diverse human resources can exhibit their skills and grow. We have launched a project involving activities to promote the active participation of women, which is collaborating with the Human Resources Subcommittee. Initiatives include the holding of events at which management and female employees can exchange opinions and ideas.

**Employment of People with Disabilities**

We proactively employ people with disabilities, and people with a variety of disabilities work at ULVAC. They aim to achieve personal growth and contribute to business, and by accumulating experience they have become indispensable in the workplace. After they join the company, ULVAC works with job assistance organizations, conducts regular interviews, offers support in the departments where they work and makes improvements to the working environment, providing follow-up according to the characteristics of each disability to ensure each employee becomes well established in the workplace. In addition, students with disabilities are also accepted from local educational institutions for on-the-job training.

**Human Resources Data**



## Promotion of Health and Productivity Management

Making further progress in creating a working environment that enables employees in excellent physical and mental health and good spirits to demonstrate their abilities to the fullest is important for the ULVAC Group's future development. At ULVAC, Inc., the president, the Chief Health Promotion Officer, the senior manager of the General Administration Department, the senior manager of the Personnel Department, occupational health physicians, and occupational health nurses act in unison to promote health and productivity management activities. In addition to legally prescribed health checks, stress checks, and face-to-face guidance for employees who work long hours by an occupational health physician, the Company pursues initiatives for general health improvement, such as wellness improvement and reduction of health risks.

### Priority Activity ① Wellness Improvement

ULVAC, Inc. has set a wellness improvement target of "An increase of at least 10% in work engagement by FY 2025 compared with FY 2021." The rate of work engagement at ULVAC, Inc. has been higher than the average in Japan\* but declined in FY 2021 compared with FY 2020 (Fig. 1). In order to overcome the challenges, ULVAC, Inc. introduced a resilience program for executives with the aim of forming habits that improve physical, emotional, mental and spiritual condition. We also provide wellness support during the COVID-19 pandemic by distributing to employees information on subjects such as how best to physically and mentally cope with stress caused by change in the working environment and on the promotion of good habits. Going forward, the ULVAC Group will focus on the implementation of measures to increase work engagement.

### Priority Activity ② Health Risk Reduction

Our health risk reduction target is "Health age\*2 3.0 years lower than actual age by FY 2025." Programs available for all employees of ULVAC, Inc. include online education programs covering long working hours, nutrition, women's health, and preparation for health checks, and a walking program that utilizes the PepUp healthcare platform. Thanks in part to the effects of these measures, the health age of employees is gradually improving (Fig. 2). We will continue to implement measures to lower health age in future.

As a result of implementing these measures, ULVAC, Inc. has been certified by the Ministry of Economy, Trade and Industry as a 2022 Certified Health and Productivity Management Organization (White 500) under the large enterprise category; the

Fig. 1 Work Engagement\*1



Fig. 2 Health Age



\*1 Results of the Utrecht Work Engagement Scale (UWES-9) survey of ULVAC, Inc. employees at the time of applying for a medical checkup. The figures for ULVAC, Inc. employees on the basis that the average in Japan according to Shimazu et al. (2014) is set at 1.00. ULVAC, Inc. began measurement in FY 2016.  
\*2 An index developed by JMDC Inc. based on the medical checkup data and medical expenses of 1.6 million people. ULVAC, Inc. began measurement in FY 2016.

\* Shimazu 2014; Shimazu et al. 2010

ULVAC Health Insurance Association has been certified as a Certified Health and Productivity Management Organization (Bright 500) under the SME category; and ULVAC EQUIPMENT SALES, Inc., ULVAC CRYOGENICS INCORPORATED, ULVAC TECHNO, Ltd., ULVAC-PHI, Inc., TIGOLD CORPORATION, and REJ Co., Ltd. have been certified as 2022 Certified Health and Productivity Management Organizations under the SME category. ULVAC will continue pursuing various initiatives at domestic Group companies to maintain and promote the health of employees.



# Occupational Safety and Health

The ULVAC Group has made "Safety First" the fundamental philosophy of business management. By operating our Occupational Safety and Health Management System (OSHMS) focused on risk assessment, we endeavor to ensure safety of the products and services used by our customers and create dynamic workplaces where Group employees can work in good physical and mental health.

### Approach to Occupational Safety and Health

In the execution of development, manufacturing, transport, installation, maintenance and other business processes, everyone in the ULVAC Group, from senior management to line workers, is encouraged to seize the initiative in continuously undertaking improvements placing the highest priority on safety, striving to maintain and improve the safety of everyone involved and ensure a healthy working environment.

### Aiming to Maintain Zero Accidents

To ensure the safety and good health of its customers and employees, the ULVAC Group holds meetings of the Global Safety Management Committee, twice a year and all Group companies promote safety and health activities in an integrated manner. Furthermore, we have established a network of the safety personnel in each Group company and promptly share, discuss or implement safety information such as revisions of laws and effective accident prevention measures.

Each Group company operates the OSHMS and declares safety based on management reviews conducted by the president and other executives. To ensure safety, every employee is engaged in occupational safety and health activities through risk assessments etc. We identify hazardous risks at the time of work planning and implement measures before commencement of work. The positive impact of the strengthening of safety measures is apparent in the trend of the frequency ratio of occupational accidents.

### ULVAC Group Basic Policy on Occupational Safety and Health Management System (OSHMS)

#### 1. Compliance to the code/regulations, and implementation of risk assessment

Comply with Codes of Occupational Safety & Health Management and Rules according to ULVAC's OSHMS, and conduct Risk Assessment in order to perform Occupational Safety & Health Management activities with the help of all the employees.

#### 2. Assure safety of ULVAC's products

Comply with ULVAC's standard for safety design and perform risk assessment of our products, in order to deliver our safe products and services to our customers.

#### 3. Planned education about Occupational Safety & Health & Product Safety

For all the employees and contractor's employees, perform Occupational Safety & Health training based on ULVAC Safety Management system, while offering scheduled Product Safety training for our users.

#### 4. Promotion of mental health care

Promote mental health care to achieve a healthy, vigorous workplace environment.

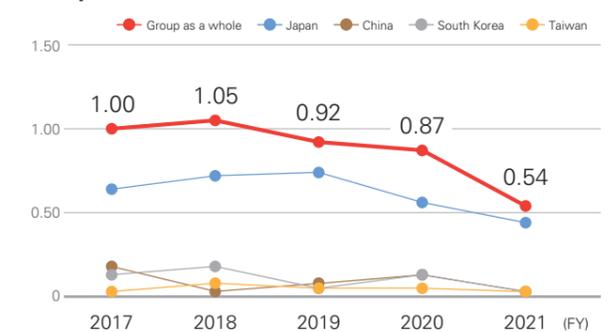
#### 5. Global expansion of ULVAC group

Through the Safety & Health promotion activities of the Global Safety Management Committee, we will try to create an appropriate work environment for the whole ULVAC group and contribute to prosperity of our businesses.

### ULVAC Group Safety Management System



### Frequency ratio of occupational accidents at the ULVAC Group



\*This graph shows the rate of occupational accidents for each fiscal year, with the value for FY 2017 (as of June 2018) as 1.00. We have maintained a low frequency ratio of accidents by preventing accidents through various safety activities.