

Employee skills development

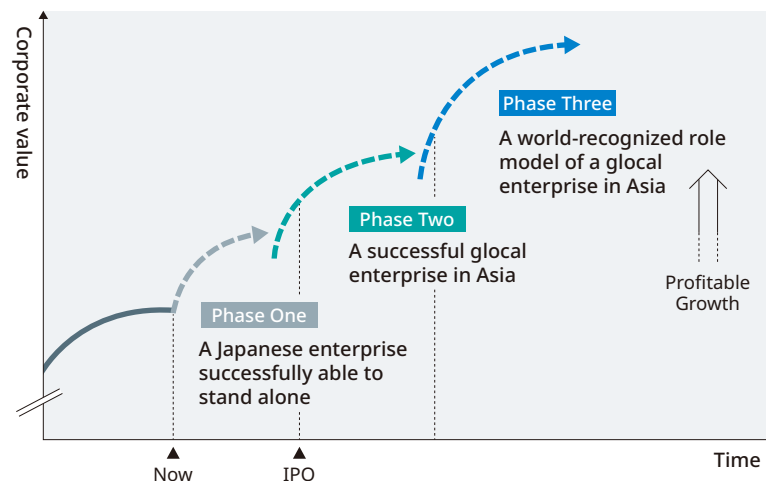
Basic policy

FineToday Group aims to provide an environment in which all people across national and regional boundaries, regardless of race, gender, age, or nationality, can thrive while thinking and acting on their own.

Fine Today & Tomorrow 2030, the medium- to long-term vision targeting the year 2030, identifies investment in talent as one of its goals. In addition to focusing on skills development through activities such as education and training, FineToday Group ascertains the state of engagement periodically through surveys and other means and puts the findings to use to make further improvements. Dividing human-resource measures into three phases for the period from 2021, when it began doing business, through 2030, it has established specific themes for each phase. During Phase One, “Wakuwaku (excitement) I,” the phase until its IPO, it is deploying measures focusing on improving the motivation and sense of wellbeing that serve as the driving forces behind the work of each and every employee.

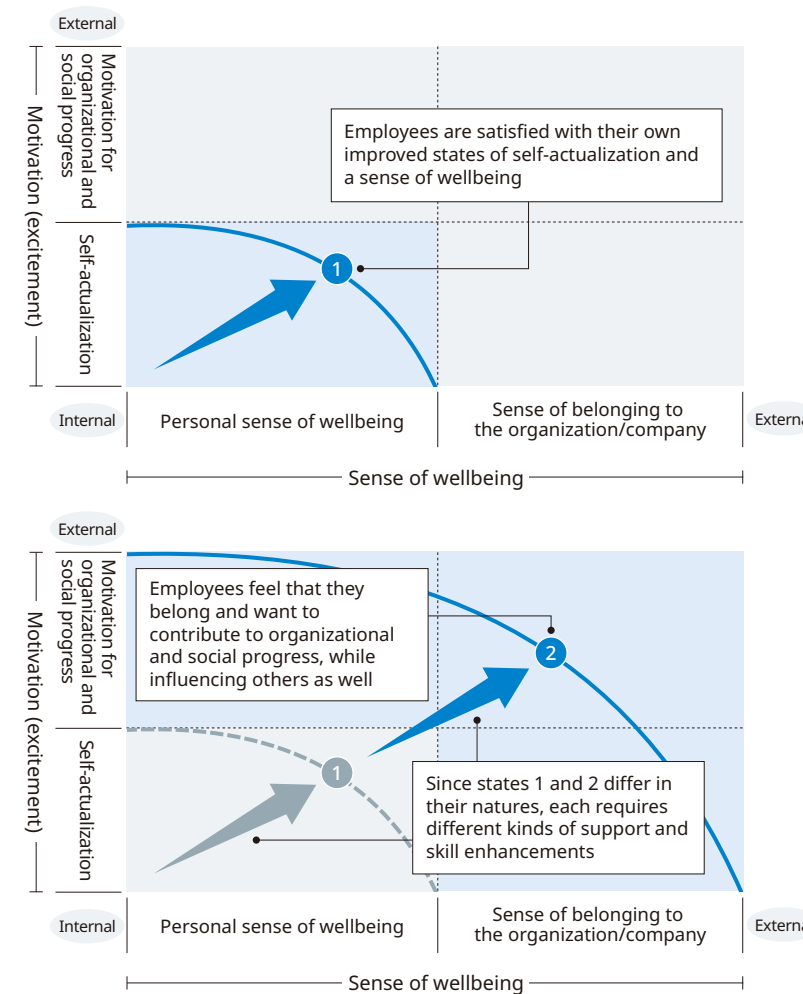
Through these initiatives, FineToday Group aims to realize an environment in which all employees can continue to have positive impacts on the organization and society conscious of their own Purposes for working, while taking on and striving to achieve the FineToday Purpose.

– Three phases of human-resource measures



- | Phase One | Phase Two | Phase Three |
|--|---|---|
| “Wakuwaku (excitement) I” | “Wakuwaku (excitement) II” | “Wakuwaku (excitement) III” |
| To stand alone | A successful glocal enterprise in Asia | A world-recognized role model of a glocal enterprise in Asia |
| <ul style="list-style-type: none"> Development and enhancement of basic HR systems Safety and peace of mind: Improving motivation and sense of wellbeing | <ul style="list-style-type: none"> Growth opportunities Rewarding workplaces and environments | <ul style="list-style-type: none"> Participating in and contributing to the organization Contributing to society Realizing one's own Purpose |

– Illustration of improving motivation and sense of wellbeing



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— Average education and training hours/costs per employee <FineToday>

21.15 hours **44,621** yen (FY2022)

Enhancement of engagement

The level of achievement and necessary environment of employees' motivation and sense of wellbeing may vary widely. In addition to skills development for self-confidence and career formation, it also is vital to develop a culture of acceptance of diversity among colleagues.

FineToday Group describes this thinking in detail in "Leadership Behavior," a shared Group code. It plans to focus on initiatives to ensure that Leadership Behavior permeates to the level of individual behavior. It uses means such as regular engagement surveys and global meetings to ascertain the status of engagement periodically.

Engagement surveys

Once every half-year, FineToday Group conducts an engagement survey of all employees, using an external survey tool. This initiative not only assesses objectively the state of matters such as ease of work but also plays an important role in identifying current issues in each organization in the Group and encouraging

autonomous improvements.

The September 2022 survey had a response rate of about 90% in each of the regions of Japan, China, and APAC. Management in each organization uses the survey's findings to identify actions for improvement. Individual employees also strive to improve their organizations under the slogan "We Do."

Before each survey, a training session is held to let employees know how to use the survey tool. The tool also is used in tier-based training to inspire autonomous action by individual employees through registration of action statements for organizational improvement.

Global meetings

FineToday Group regularly holds G3 Meetings and townhall meetings in which all employees, from Japan, China, and APAC, take part.

The G3 Meetings provide opportunities for communication across national and regional boundaries, to stimulate interpersonal exchange within the organization and enhance its cooperative structures. The townhall meetings share information on strategies and financial results as well as global best practices, aiming to generate new ideas and promote mutual understanding. Management answers questions from employees on any topic in these meetings and using our Sharepoint systems.

Although these meetings had been held online in principle since FineToday Group began doing business in July 2021, the G3 Meeting in December 2022, held in person while taking care to stop the spread of COVID-19, provided the first opportunity for

employees from all over Japan to come together in one place. Attendees introduced themselves to colleagues from other sites and expressed surprise at how many people were there. The meeting was followed by social gatherings of employees from each region. The meeting proved an opportunity to reaffirm the commitment to further solidarity in the Group's initiatives in FY2023.

Encouraging communication across sections

While FineToday's monthly Ichigan Meeting is intended mainly to share information among sales staff, all employees take part regardless of their assigned duties. It also serves as an opportunity to introduce new employees who joined the organization during the month. This kind of interaction helps build ties based on work and personal interests.

In FY2022, the labor union and the Human Resources Division together launched the new Fine Community initiative. Fine Community is an internal community that aims to help employees find and connect with colleagues who share their interests, under the slogan "Work hard, Play hard together!"

A survey of all employees conducted in December 2022 showed that 48 groups had already formed, across a wide range of interests including exercise and cultural activities, and 209 employees wanted to take part. Participants interact through chat rooms for individual groups, and groups communicate information on their activities companywide through the in-house social networking service.

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Highlight

Values established to mark the Group's first anniversary by motivating all employees.

FineToday Group marked its first anniversary on July 1, 2022, by establishing its Purpose and Values. The Values are based on key themes chosen to motivate all employees together. The G3 Meeting held the same day revealed the Values to employees and presented employees with commemorative gifts reflecting the qualities of each region.

