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**We will steadily implement our vision for the human capital strategy and the associated action plan to maximize the value of our human capital, which is essential for sustainable growth.**

In order to establish the ideal type of human capital necessary for the sustainable growth of our group and secure such human capital, we have formulated and implemented an action plan for each issue of recruitment, training, deployment and career development, personnel system, evaluation, remuneration, diversity and inclusion (D&I), and work-life balance (WLB). As of FY2026, we are revamping our personnel system (grades, evaluation, and remuneration), which has not been revised for a long time. We aim to improve employee engagement by creating an environment that encourages every employee to take on challenges and properly evaluate their efforts and results. At the same time, by diversifying career paths and introducing a region-limited employee program, we are working to support flexible career planning that takes into consideration diverse work styles and individual living circumstances. D&I has been positioned as a materiality alongside WLB. Toward realizing a company where everyone can work comfortably and play an active role, we are promoting initiatives such as “penetration of the importance of D&I and securing psychological safety,” “enhancement and promotion of diverse working styles,” and “support for women’s career development.”

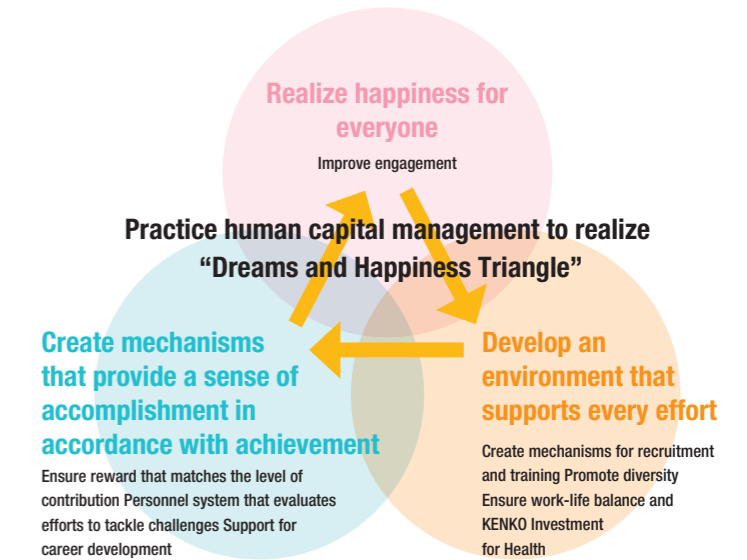
The vision for the human capital strategy is based on the slogan of the Medium-Term Business Plan, “KUMI STORY 2026,” which is “Dreams and Happiness Triangle.”

By sincerely addressing each issue and overcoming them one by one, we aim to become a company where all employees strive to achieve their dreams, grow through their work, and feel a sense of accomplishment and job satisfaction.

happiness for each and every employee and deepen engagement.

- Develop an environment that supports every effort
  - Establish mechanisms for the recruitment and training of human capital that have dreams and work hard to achieve them
  - Vigorously promote diversity so that diverse human capital can demonstrate their strengths

- Mechanisms that provide a sense of accomplishment in accordance with achievement
  - Establish an evaluation and treatment system that enhances the link between contribution and reward
  - Support continuous growth through evaluation designs that reward efforts to tackle challenges and the visualization of career paths



Related Materiality and KPIs				
	● Human capital development	● Promotion of work-life balance	● Promotion of diversity and inclusion	
FY2026 targets	Training time per employee: <b>50 hours/year</b>	Average rate of employees taking annual paid leave: <b>70 %</b>	Percentage of female managers: <b>4.9 %</b>	Rate of male employees who take childcare leave: <b>100 %</b>
FY2025 results	Training time per employee: <b>59.5 hours</b>	Average rate of employees taking annual paid leave: <b>71.5 %</b>	Percentage of female managers: <b>2.2 %</b>	Rate of male employees who take childcare leave: <b>92.9 %</b>

### Desirable Human Capital

One of the key policies of the Medium-Term Business Plan is “human capital development / human capital strategy based on the idea of human capital,” which is the foundation of our business strategy. In promoting our business going forward, we will focus in particular on strengthening the following human capital.

- Human capital to further strengthen R&D capabilities in core businesses
- Specialized human capital to strengthen the company-wide governance system
- Global human capital responsible for overseas business development
- Human capital capable of leading the creation of business systems

- Human capital who is familiar with production and procurement and promote improvements to support the stable supply of products and services

We have also clarified an image of the expected human capital for realizing the mindset and diversity that is a common requirement company-wide.

- Human capital capable of taking on challenges in new areas and creating innovations and new businesses
- Generalist human capital with leadership skills and managerial instincts
- Human capital who promote career diversification and break through organizational homogeneity through diverse human capital, such as women, foreigners, and senior human capital

### Vision for the Human Capital Strategy

Our group has adopted the slogan “Dreams and Happiness Triangle” for its Medium-Term Business Plan. We create a stream that allows each individual to achieve “happiness” by having dreams, working to achieve them,

and experiencing satisfaction and accomplishment in accordance with achievement. The vision for the human capital strategy to achieve this consists of the following two pillars. Through these efforts, we aim to realize

Vision for the human capital strategy	Category	Action plan
Realize happiness for everyone	—	● Implement the action plan to improve employee engagement
Develop an environment that supports every effort	Recruitment	<ul style="list-style-type: none"> <li>● Specify requirements for priority human capital and develop recruitment and staffing plans for each department/division</li> <li>● Upgrade recruitment activities for systematic and efficient selection of core human capital from both new graduates and experienced professionals</li> </ul>
	Training	<ul style="list-style-type: none"> <li>● Improve the company-wide education and training system, and enhance development programs for each position (managers, manager candidates, etc.)</li> <li>● Modify OJT planning formats to help advance the OJT system</li> </ul>
	D&I	<ul style="list-style-type: none"> <li>● Prepare D&amp;I implementation plans by clarifying the policy and vision, and put them into practice</li> <li>● Build an internal system for the promotion of women’s active participation in the workplace, formulate measures for achieving targets, and put them into practice</li> </ul>
	WLB	<ul style="list-style-type: none"> <li>● Identify issues around work-life balance (WLB), formulate measures to resolve essential issues and implement them</li> <li>● Develop a KENKO Investment for Health promotion system and obtain accreditation under the Certified KENKO Investment for Health Outstanding Organizations recognition program</li> </ul>
Create mechanisms that provide a sense of accomplishment in accordance with achievement	Personnel system	<ul style="list-style-type: none"> <li>● Design the personnel system on the basis of rewards matching the role and performance results, eliminating the seniority idea, and encouraging active participation of diverse human capital</li> <li>● Enhance the specialist system, realize diverse work styles, and revise the current personnel organization incorporating region-specific employee systems and corresponding to life events</li> </ul>
	Evaluation	<ul style="list-style-type: none"> <li>● Introduce systems encouraging proactive challenges and developing the professional ability to fulfill the necessary responsibilities</li> <li>● Review the evaluation system to improve fairness and persuasiveness, and implement feedback interviews with every employee</li> </ul>
	Remuneration	<ul style="list-style-type: none"> <li>● Revise the system to one that is more clear-cut with remuneration based on job responsibilities and actual contribution</li> <li>● Set wages in line with job characteristics and revise allowances to increase job satisfaction</li> </ul>
	Deployment and career development	<ul style="list-style-type: none"> <li>● Visualize career paths and clarify career vision through development of career maps</li> <li>● Enhance career development support, including introduction of career training and an internal recruitment system</li> </ul>

## Major Initiatives Conducted in FY2025

### Human Capital Development

#### 1. Establishment and Implementation of New Personnel System

Toward the introduction of a new personnel system from FY2026 onward, in FY2025, we conducted a final review of the system design, centering on the elimination of the seniority system. We aimed to create a well-balanced remuneration system that thoroughly matches rewards with employees' roles and performance, and provides a sense of accomplishment in accordance with achievement.

In addition, to prevent the system from becoming a mere formality and ensure that it is adopted and understood by all employees, the following communication measures were implemented.

- Briefings on the system for all employees: Held twice at each office nationwide. Shared the background and objectives of the system.
- Training for those to be evaluated: Held a total of 25 times. Deepened the understanding of those to be evaluated and fostered a sense of understanding.



A scene from a training session

- Training for managers (evaluators): Held twice in total. In addition to understanding the new system, participants acquired evaluation skills and the mindset needed as a supervisor.

#### 2. Deepening of Diversity and Inclusion (D&I) and Mutual Understanding

With the aim of becoming an organization where diverse human capital continues to create value, we conducted the following training.

- D&I training: Held in a workshop format for all employees. Centering on the theme of "Creating Value from Diversity," perspectives that can be put to practical use were shared.
- Follow-up training for mid-career recruits: Held at the Head Office and each office. By providing opportunities for interaction with regional offices, we supported the creation of networks among employees with diverse backgrounds and the creation of business synergies.

#### 3. Initiatives for the Next Fiscal Year

From FY2026 onward, we will focus on implementing position-specific training in line with the new grade

system and developing next-generation leaders. We will continue to restructure the company-wide training system to create an environment in which each and every employee can demonstrate his or her abilities to the maximum extent possible.

#### Work-Life Balance (WLB)

With the aim of helping employees comfortably balance their work and private lives and improve their physical and mental health and satisfaction, we have undertaken the following initiatives for "creating a comfortable working environment" and "realizing health promotion."

- Encouraging employees to take annual paid leave (hereinafter "paid leave")  
We have set up days for all employees to take paid leave at the same time (two days per year), and we aim for employees who are granted 10 or more days of paid leave per year to take three days or more of paid leave within six months of being granted the leave. We disclosed our average paid leave utilization rate on the company intranet as appropriate to encourage employees to take paid leave in a planned manner.
- Reducing overtime hours  
We introduced a new attendance system that allows employees to view their overtime work status on their own attendance screen. Supervisors can also view the overtime work status of their subordinates, and this makes it possible for them to appropriately manage overtime work.
- Increasing the percentage of employees who take childcare-related leave and childcare leave  
By updating our maternity and childcare leave procedure manual to make it easier to understand the legal and company-specific systems and necessary procedures, it has become possible for eligible employees to take childcare-related leave and childcare leave in a planned manner. In addition, we expanded the period during which male employees can take special leave when their wives give birth, allowing them to take three days of leave within a two-week period before or after the expected date of birth.

#### Diversity and Inclusion (D&I)

Aiming to become a company where everyone can work comfortably and play an active role, we further promoted D&I measures based on issues identified through the efforts of the D&I Working Group in FY2024. Specifically, we conducted diversity training for all officers and employees, provided basic knowledge about diverse people, such as those involved in childcare and nursing care, older workers, LGBTQ, people with disabilities, and foreigners, and implemented e-learning courses for employees to learn about the necessity of harassment prevention, awareness, and support. We also conducted

menstruation training and interviewed users of work-life balance support systems, such as postpartum paternity leave, to promote these systems.

Four volunteer employees from the Head Office independently organized a "D&I Snack Party" during their lunch break, creating new opportunities for interaction across departments, positions, and generations. As a result, D&I is being fostered as a familiar part of corporate culture.

In addition, a survey conducted for non-managerial employees on their motivation and attitudes toward promotion to managerial positions revealed that, particularly

among female employees, concerns about the balance between workload and childcare were obstacles. Based on the survey results, we held a career roundtable for women with the aim of eliminating psychological barriers and anxieties women may face in their careers, and supporting their autonomous career development.

In FY2026 and beyond, we will focus on "strengthening support for work-life balance," "presenting role models," and "providing management experience and support from supervisors" to promote the creation of a workplace where diverse human capital can continuously play active roles.

## Outlook and Initiatives for the Future

As a professional group with a wealth of knowledge of agricultural chemicals, we have contributed to the advancement of agriculture for many years. We understand that, going forward, the creation of new value is essential for us to solve global social issues related to agriculture, such as food insecurity due to global population growth and climate change. To this end, while protecting our advanced technological capabilities and depth of knowledge, for the creation of new value, it is essential that we have diverse human capital who possess a wide

range of knowledge, experience, and perspectives.

Our D&I policy aims to create a company where diverse human capital wants to work and where everyone can work comfortably and play an active role. To that end, it is necessary to create an environment in which all officers and employees have equal opportunities in all aspects, and in which they can work in the way they want and play an active role. Moreover, we believe that it is important for us to be a leading company in the agricultural industry and to have an influential presence within it.

### Voice

#### Comments from a participant in the menstruation training

I was reminded that even among women, people's impressions of menstruation and their thoughts on how to deal with it vary, and that even now, with information becoming widely available, it still differs from person to person. I thought that in these modern times, understanding of menstruation was becoming more widespread, but I was surprised to learn that more than 50% of women still feel uncomfortable talking about it. As a manager, I was also able to reaffirm how we operate its wellness leave system. I have heard that even though wellness leave is available, many people do not take it because it is difficult to use. I hope that we can create a workplace that takes into consideration the mentalities of these people.



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Corporate Planning Section, Overseas Planning Department

### Voice

#### Comments from a participant in the D&I training



HORITA Junko  
Regulatory Affairs Section, Development Promotion Department

I attended the D&I training in 2025, and I strongly felt that our company's initiatives were beginning to take shape. In 2024, I participated in the D&I Working Group, which consisted of 28 members, and was involved in clarifying our vision, formulating a roadmap, and considering measures to address issues. In promoting D&I, commitment from top management and continuous communication of information both inside and outside the company are particularly important. Last year's training was a good opportunity to reaffirm and strengthen this policy, and I felt that the entire organization was making progress step by step.

In 2025, as a D&I supporter, we held the "D&I Snack Party" during lunch break, which is a social gathering aimed at exchanging opinions and promoting understanding across departments and positions. Going forward, the challenge will be to continue to provide these steady opportunities for interaction, while at the same time creating mechanisms that promote the dissemination of clear messages from management, the visualization of results, and the establishment of measures. I believe that we need to steadily work in coordination with the personnel system to create an environment in which employees with diverse backgrounds can play active roles and achieve gender equality in all aspects.