

Creation of a Vigorous and Lively Workplace

Relevant SDGs

3 monach

4 merry

5 men

5 men

6 merry

10 men

10 men

We intend to become a robust global company by creating dynamic workplaces in which all employees can demonstrate mutual respect for human rights.



To Foster a Corporate Culture that Embraces Diverse People and Enables Them to Grow and Demonstrate Their Abilities to the Fullest

We are fostering a corporate culture that actively accepts and supports employees with diverse backgrounds, ideas, and values and enables them to demonstrate their abilities to the fullest, and we are utilizing these collective efforts to drive the success of our organization.

We hope that by instilling this effort throughout the company as a Diversity & Inclusion (D&I) strategy, we will become the world's most rewarding and vibrant company to work for in which every employee can demonstrate their full potential and achieve personal growth.

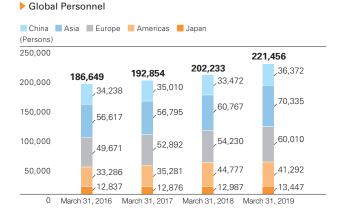
Kazumasa Kamikuchi / Head of D&I Promotion Office, Human Resources Department, Management Headquarters / Sumitomo Wiring Systems (SWS) (Japan)

Workplace Environment Policy The Sumitomo Wiring Systems' Group Charter of Corporate Behavior calls for respect for human rights and prohibits discrimination. A variety of training programs are provided to deepen employee awareness of and commitment to human rights. We conduct business and establish working environments with due respect for human rights and free of any discrimination based on race, nationality, ideology, sexual orientation, gender identity, age, social status, or disability.

Activities for Promoting the Development of Dynamic Workplaces

Since fiscal 2013 we have been striving company-wide to promote the development of dynamic workplaces to encourage a long-term awareness of human rights in our workplaces. The members of the Dynamic Workplace Promotion Committee, selected from each department, participate in human rights awareness training and share what they have learned in their respective workplaces. This raises human rights awareness among all employees and facilitates lively communication while also boosting efficiency. Since the formation of the committee, 1,500 employees have served as members.

Starting in fiscal 2018, we incorporated discussion of the LGBT community in our training to deepen understanding of this community and promote a pleasant work environment that respects the individuality of each employee. Moreover, we have established a system for the early detection of and response for dealing with harassment. Any promotion officer who recognizes a situation involving harassment will directly report the incident to the personnel division.



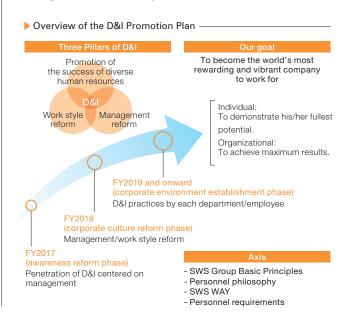
And we are striving to create sound working environments, such as by assessing the conditions of each workplace through dynamic workplace patrol activities, implemented by both labor and management, and by introducing good practices through group newsletters.

Employee Survey

The SWS Group regularly conducts an employee survey to revitalize the workplace environment and improve employee satisfaction. We will ensure that our workplaces are vibrant and satisfying by formulating and implementing measures based on the issues revealed by the survey.

Declaration on Diversity & Inclusion (D&I)

In May 2017, the SWS Group announced its declaration on D&I, which



consists of three pillars: management reform, work style reform, and promotion of the success of diverse human resources. Along with this declaration, we also formulated a three-year D&I promotion plan.

In fiscal 2018, the corporate culture reform phase, we worked to broadly disseminate the employee awareness reform that we implemented in the previous fiscal year throughout the company and established a foundation for fiscal 2019, the final phase for embedding this awareness into the corporate culture. We will work to become the world's most rewarding and vibrant company that naturally attracts people with different values and views, helps them to grow and enables them to demonstrate their fullest potential.

Management Reform

Introduction of 360-degree Feedback

In fiscal 2018, we introduced a 360-degree feedback system for about 200 employees in managerial and other upper-level positions. This feedback, provided every two years, helps to clarify the gap between evaluation results and self-awareness as well as between personal strengths and weaknesses based on the multifaceted feedback obtained from supervisors, colleagues, and subordinates. Expanding the application of the feedback to about 600 group leaders in fiscal 2019 will further improve the system, which allows employees to take the initiative in their career development.

Iku-boss Training

As part of our management reforms, we conducted "Iku-boss training" in fiscal 2018, with 567 people taking part. In fiscal 2018, we conducted our new "Aim for Iku-boss training," derived from the workstyle review training for managers in fiscal 2017, and also provided managerial candidates such as chiefs and team leaders so that attendees could learn basic knowledge about and develop a mindset for becoming an iku-boss. In addition to these programs, we work to raise Iku-boss awareness by distributing the "SWS Iku-boss management guidebook," based on the "SWS Iku-boss mindset" under the slogan of "go home early." We will continue to implement initiatives to enable diverse human resources to play active roles as well as post-training follow-up activities to more deeply instill Iku-boss-style management.

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Promoting the Success of Diverse Human Resources

We actively support employees who maintain a work-life balance and achieve results in the pursuit of productivity. Also, we train supervisors who equally value their work-life balance and achieve results at an organizational level while supporting their respective employees.

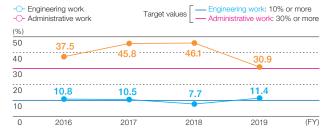
Active Participation of Women in the Workforce

Identifying the development of an environment in which employees with various backgrounds can demonstrate their abilities and actively contribute is a key management strategy. In this context, Sumitomo Wiring Systems is engaged in various initiatives to support the active participation of female employees. We used to conduct career development training for female employees who had not yet attained managerial positions. We have recently developed the new training program "SWS-WE!" for female career-track employees with three to four years of service. The program helps them to more quickly become aware of the career options available to them, acquire the necessary skills for promotion, and establish a network of female employees. The same training is also conducted for their supervisors so that they too understand the purpose of the training.

As of April 1, 2019, the number of female managers reached 27, or 1.8% of all managerial positions. Ten women were hired as career-

track employees for administrative work and six for engineering. While the goal for the ratio of female career-track employees was achieved for new hires in April 2018, we will steadily carry out our action plan to promote the advancement of women in the workplace.

▶ Ratio of Hiring New Female Graduates for Career-track Positions



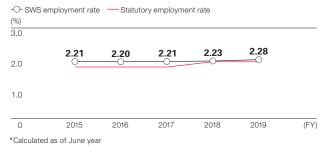
*Calculated as of April 1 of each year

Employment of Physically or Mentally Challenged Persons

We established our special subsidiary, SWS Smile, in May 2013 to promote the employment of physically or mentally challenged persons and enhance our support system to correspond with individual abilities. As of June 2019, SWS Smile has employed 48 physically or mentally challenged workers and 15 support staff. At first these employees were mainly engaged in recycling work such as sorting and dismantling wire harness parts, but they are now broadening their work options by continuously challenging themselves to engage in new tasks, such as maintaining the grass and vegetation around the company and shredding documents. We will continue to create more opportunities in which physically or mentally challenged employees can actively participate, throughout the SWS Group and beyond SWS Smile.

Although our employment rate of 2.28% meets the statutory employment rate, we will continue with our active promotion of the employment of physically or mentally challenged persons.

Employment of Physically or Mentally Challenged Persons



Global Relocation Program

In November 2016, we launched our new Global Relocation Program toward strengthening the development of human resources both in and outside of Japan and promoting the localization and diversity of our operations in Japan.

The program is an upgraded version of the conventional overseas dispatching system. As of fiscal 2018, 23 employees have used the program, and 37 signed up for the first time in April 2019. Some of the benefits we expect from it include the establishment of a corporate culture/system that encourages the active participation of diverse human resources, the reduction of domestic hiring and slowing the increase of expatriate employees. Similar benefits expected for local companies overseas include the development of management personnel, the improved technical skills of local employees, an increased retention rate and a greater sense of loyalty among proven, long-standing employees.

We will strive to be a company that supports active participation of diverse employees by further facilitating employee exchange arrangements with local companies.

Creating Diverse Employment Opportunities

We are creating diverse employment styles and opportunities to allow each employee to explore their capabilities to the fullest, such as re-hiring retired employees and those who have left the company due to unavoidable reasons and promoting parttime workers to full-time employment.

- Re-hiring Retired Employees

We have established a senior staff system for those who remain highly motivated to continue working even after their retirement to demonstrate and pass on the expertise and skills they have cultivated over the years. In fiscal 2018, we re-hired 112 of 121 retirees. We have also modified the wage system and will be conducting personnel reviews for these staff members to stay motivated and play active roles in their workplaces.

—Job Return System

This is a system for re-hiring those who have left the company due to unavoidable reasons, such as childbirth, parenting and nursing care. Those who wish to be re-hired within three years of leaving the company can return to work with the same job positions after having an interview. In fiscal 2018, three people used the system.

—Promotion to Full-time and Career-track Positions We have established a system to promote part-time workers who have achieved a given level of success to full-time positions. In fiscal 2018, we offered full-time employment to 43 people, compared to 22 people in fiscal 2016 and 28 in fiscal 2017. We also accept requests from those who wish to move from general office jobs to career-track positions; seven employees have chosen to do so.

Reform Work Style Reform

We will cultivate an environment in which all our employees can continuously pursue their careers, develop skills, expand opportunities for success and maintain and improve their workplace motivation. To do that, we will develop and implement work systems and personnel policies that respect diverse work styles and encourage each employee to fully exert their strengths.

Work-Life Balance

We support employees in balancing their work and family life through a variety of efforts, such as expanding our childcare and nursing care systems and introducing a system that makes it easier for both male and female employees to participate in child rearing. As a result, in May 2016 we acquired the Platinum Kurumin Mark, the next-generation accreditation mark certified by Japan's Ministry of Health, Labour and Welfare.

In April 2017, we opened the onsite day care center, SWS Connect Kids, at the Yokkaichi and Suzuka Plants for employees whose working hours have been restricted due to child rearing. As of March 31, 2018, 21 employees have

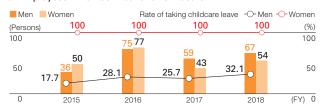
regularly used the center and 162 employees have occasionally done so.

In addition, we are working on launching a telecommuting system and a work-interval system that



requires employees to take a certain rest interval between working hours. We also encourage employees to take their paid leaves. In fiscal 2018, the average number of paid leaves taken was 15.1 days, the average rate of paid leave taken was 75.7% and the annual total number of working hours per employee was 2,028.88 hours. We will continue to implement measures that support the success of each and every individual, fully respecting the diversity of the lifestyle choices of our employees.

Employees Who Took Leave for Childcare





Employees Who Took Leave for Nursing Care

FY2015	FY2016	FY2017	FY2018
21	22	29	19

Platinum Kurumin Mark

Note: Number of employees includes employees using accumulated days off.



Hoping for a Workplace **Environment that Supports** Childcare Leave

Kazutaka Harada

SEAUTO-E GmbH (SEAUTO-E) (Germany)

In recent years, our childcare leave system has been used by many employees both male and female due to the impact of several measures for promoting D&I and workstyle reform. The company has also been striving to expand, disseminate, and deepen understanding of the childcare leave system, which made it easier for to take a leave, and I didn't hesitate to do so. At first, I was very worried about taking the leave and concerned about how it may affect the business. My supervisors and colleagues, however, extended a great deal of support and willingly shouldered my responsibilities during my absence. I believe that the experience went so smoothly because of our healthy workplace relationships and systems that have been established on mutual support and open communications. More employees have recently been asking to use the nursing care leave to take care of family members. I hope that the company will continue to disseminate and deepen understanding of these leave systems so that employees who need to use them can readily. I will also support my colleagues to make their experiences as smooth as possible.

Respect for Human Rights

The SWS Group recognizes its founding principle of "respecting individuality and nurturing a vigorous and prosperous corporate culture." In line with the human rights policy established by the Sumitomo Electric Industries Group in February 2019, we are working to clarify and promote our human rights initiatives further.

Human Rights Policy of the Sumitomo Electric Industries Group https://global-sei.com/csr/sociality/pdf/human_rights.pdf

Enhancement of Human Rights Training

To foster and increase human rights awareness, we conduct position-based training for all our employees, from new hires to managers. In fiscal 2018, the training encompassed harassment and other themes.

Policy for Cultivating Human Resources Our personnel division is devoted to implementing educational activities rooted in the "Three aspects of personnel development (mind, skills and substance)" in order to develop human resources that reflect our philosophy and policy. At the same time, the SWS Group directs its combined efforts toward quickly cultivating global human resources that can adapt to the globalization of our business. In addition to developing globally competitive employees, we will continue to foster human resources by providing both company- and department-wide training to build employee capacity.

Personnel Philosophy

We will create a corporate culture that provides a positive working environment for every employee, is driven by our belief in their individual potential, and is in accord with their eagerness to take on challenges.

Personnel Policy

- 1. We respect individual initiative.
- 2. Our approach is based on performance.
- 3. We develop diverse human resources.
- Cultivating Human Resources Based on the Three Aspects of Personnel Development (Mind, Skills and Substance)



Capacity Building Programs

SWS Group capacity building programs are grounded in our belief in the potential of each employee, and through them we acknowledge the spirit of challenge that employees possess while encouraging capability building aligned with career goals.

We therefore set short-term goals every year for capacity building that are within the framework of the annual goal management and personnel evaluation systems.

In fiscal 2018, we created career design training, which is a new program for general office work positions. We also implemented a management training program for the development of leaders and promoted the strengthening of comprehensive onsite capabilities. Additionally, we created an easy-to-learn environment through e-learning for some programs.

While making further efforts to educate employees on our corporate philosophy and the SWS WAY, we will also continue to support the career development of our employees by providing position-based training toward ensuring that they understand expected roles and actions. This also helps them to set capacity building and career targets, which are incorporated in the action plans developed through discussions with their supervisors and then implemented.

▶ Past Training Programs

Туре		FY2016	FY2017	FY2018
Number of training sessions	Nomination-based	9	10	8
	Position and rank-based	30	33	28
	Recommended elective-based	25	26	29
	Optional	22	21	26
	Web-based	35	39	42
	Total	121	129	133
Number of attendees	Managerial positions	829	1,415	1,194
	Career-track positions	2,225	3,321	3,353
	General office work positions	1,576	1,824	1,892
	Total	4,630	6,560	6,439

Notes: Figures exclude new employee training, training at overseas plants, and onsite improvement practice training.

Development of Global Human Resources

We are developing global human resources by enhancing our global training programs in areas such as cross-cultural management and international operations, and conducting training for executive candidates and managers at our overseas Group companies. In fiscal 2018, we conducted the training at four sites in three countries. We will expand the training to other sites and also continue Group-wide efforts to develop human resources.

Global Leadership Development Program (GLP)

The GLP is held once a year to develop senior executives.

Participants learn what they need to know in the area of leadership during the four-day training session, which is held in Japan.

Overseas Managers Training

In fiscal 2018, we offered training as a means of cultivating global management utilizing local human capital in four regions with the participation of 79 managers from 16 countries.



Reaffirming the Importance of Understanding Corporate Culture

Zhang Bo

Assistant Manager, Human Resources & General Affairs Department Huizhou Zhurun Wiring Systems Co., Ltd. (HZR)(China)

The manager training deepened my understanding of the SWS Group's history, business spirit, identity, SWS WAY, and more. At the same time, it made me, as a leader, reaffirm the importance of enhancing my capabilities as well as improving the understanding of my subordinates of corporate culture and problem analysis skills through daily operations and management.

I will continue to do my best to contribute to the SWS Group's goals of becoming the world's most rewarding and vibrant company to work for as an indispensable organization for global automobile manufacturers. For the training, I had the opportunity to take my first business trip to Japan. I was grateful for this, as I was able to experience Japanese culture and observe operations at the SWS headquarters. Looking ahead, I will apply in my daily work what I learned through the training.

New Employee Training at Overseas Plants

The SWS Group (in Japan) provides practical training for all new career-track employees at overseas plants where wire harnesses are mass produced. In fiscal 2018, the 22nd year of the training, 114 employees who had then joined the company were dispatched for training to four plants in Vietnam, the Philippines, and China.

Overseas Trainee System

Young employees selected to work overseas are trained for a certain period. A total of 445 employees (as of March 31, 2019) worked under this system and are now applying the experience they gained to their career development.