

Employees

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

Relevant SDGs



GLOBAL MESSAGE



Contributing to the Further Growth of Vietnam

I was stationed in Vietnam in 2016, and since 2019 I have been in charge of human resources and general affairs in the country, mainly managing the human resources operations of six SWS Group companies. My wide ranging tasks include improving and reforming the personnel evaluation, promotion and training systems.

Managing the human resources operations of these companies can sometimes be difficult because of their differing histories and backgrounds. Even in such a challenging environment, however, all relevant staff can work together as a team and share ideas and knowledge for better management, which I think is one of the advantages of the SWS Group.

I will continue my efforts to enhance the human resource development systems for over 30,000 employees of the six SWS Group companies in Vietnam, which will lead to improved business performance and contributing to the further growth of Vietnam.

| Vietnam |

Kenichi Furutani | Manager, Human Resources and General Affairs Department SEAPS VIETNAM Co., Ltd. (SEAPS-V)

Human Resources

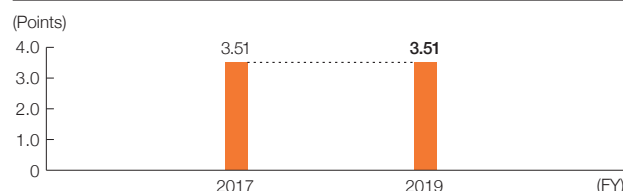
Workplace Environment Policy

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.

Employee Survey

The SWS Group regularly conducts an employee survey to revitalize the workplace environment and improve employee satisfaction. The survey consists of questions based on vision or value, employee motivation and workplace analysis. The results of the 2019 survey showed relatively good overall scores except for some items, such as job satisfaction and work style, which could be improved. Going forward, we will ensure that our workplaces are vibrant and satisfying by formulating and implementing measures based on the issues revealed by the survey and also the results of stress checks.

Employee Survey Results (Five-point Scale)

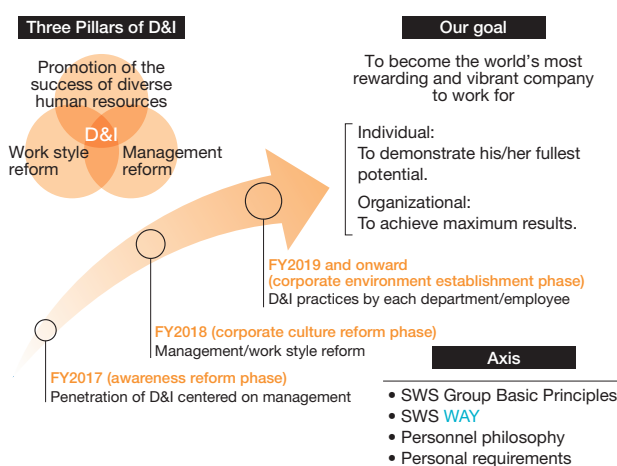


Declaration on Diversity & Inclusion (D&I)

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 2019, the final year of the plan identified as the

Overview of the D&I Promotion Plan



corporate environment establishment phase, we worked to raise employee awareness through training and other measures to ensure that each department and employee implements D&I practices.

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 Team Management Improvement Training

For the purpose of strengthening organizational strength and improving efficiency, we have partially introduced team management improvement training in which supervisors and employees work together to figure out how to proceed with tasks with help from external consultants. Going forward, we will expand the application of the training to other departments to develop human resources capable of achieving higher goals.

Expansion of the Application of 360-degree Feedback

In fiscal 2018, we provided 360-degree feedback to about 200 managers, and in fiscal 2019 we expanded the application of the feedback to about 500 group leaders. This system helps employees recognize the gap between how they are evaluated and how they see themselves as well as their personal strengths and weaknesses based on multifaceted feedback obtained from supervisors, colleagues and subordinates, allowing them to take the initiative in their career development.

Iku-boss Training

As part of our management reforms in fiscal 2019, we conducted "Iku-boss training" for managers and "Aim for Iku-boss training" for managerial candidates, such as chiefs and team leaders. A total of 33 people received the training and gained the knowledge and mindset for becoming an Iku-boss. To raise Iku-boss awareness, we also prepared and distributed seven tips that summarize the necessary attitudes and behaviors for an Iku-boss of the SWS Group.

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.

SWS Iku-boss management guidebook



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.

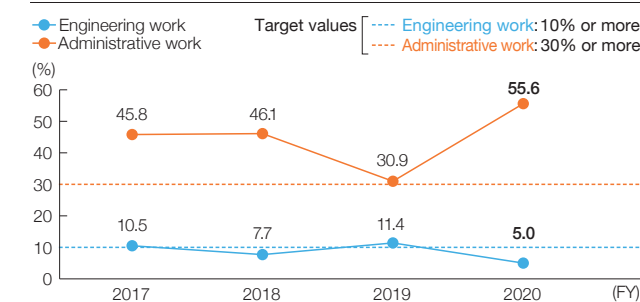
Active Participation of Women in the Workforce

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 provide career development training for female employees who had not yet attained managerial positions and "SWS-WE!" for female career-track employees with three to four years of service, which helps them to more quickly become aware of the career options available to them and establish a network of female employees. In addition, we conducted WINK Forums in fiscal 2019 for all female employees in career-track positions and engineering departments.

As of April 1, 2020, the number of female managers reached 31, or 2.1% of all managerial positions (an increase of 4 people, or 0.3 percentage point from the previous year). Twenty-seven women were hired as career track employees for administrative work and seven for engineering. 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

To Create an Organization Where Employees Support Each Other in Times of Need

With the company's active efforts to promote D&I and work-life balance (WLB), many employees, both men and women, have recently been taking childcare leave. At the Tsu Plant where I work as well, many male employees are taking childcare leave every year. I also took childcare leave for a week when my first child was born. I was somewhat concerned that my absence might negatively impact my work, but thanks to the understanding and strong support of those around me, I was able to take the leave with no worries. This experience made me realize how important it is to support each other in times of need.

Looking ahead, more employees are expected to be taking nursing care leave, which makes our understanding on D&I and WLB even more important. As a manager, I will strive to create an organization where we support and help each other face challenges.

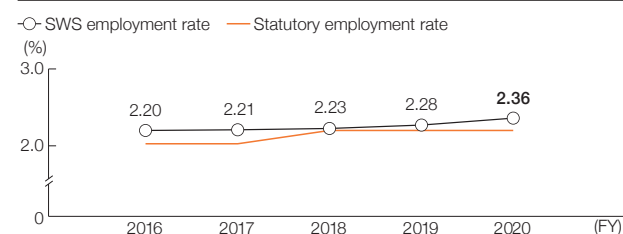


Takahide Sugimoto
Group Leader, General Affairs and Human Resources Group
Management Headquarters, Tsu Plant

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 2020, SWS Smile has employed 54 physically or mentally challenged workers and 21 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 2.36% 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



*Calculated as of June of each year

Global Relocation Program

We introduced the Global Relocation Program as an upgraded version of the conventional overseas dispatching system to strengthen the development of global human resources and promote the localization and diversity of our operations both in and outside of Japan. As of fiscal 2019, 37 employees have used the program, and 41 employees have used the program in April 2020. 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 2019, we rehired 97 of 99 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 rehired within three years of leaving the company can return to work with the same job positions after having an interview. In fiscal 2019, one person 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 2019, we offered full-time employment to 77 people, compared to 43 people in fiscal 2018. We also accept requests from those who wish to move from general office jobs to career-track positions; four employees have chosen to do so.

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.

In response to the spread of COVID-19, we allowed employees who are at a high risk of infection because of a long commute or physical weakness to work from home to prevent the spread. We will continue to make the necessary considerations to expand the application of the telecommuting system for employees as a new work style option.

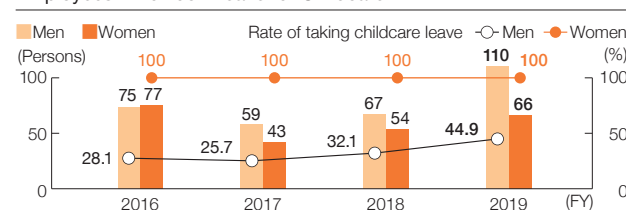
Work-Life Balance

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.

As of March 31, 2019, our onsite day care center, SWS Connect Kids, that we opened at the Yokkaichi and Suzuka Plants for employees whose working hours have been restricted due to child rearing had 41 regular users (22 Yokkaichi Plant employees and 19 Suzuka Plant employees) as well as 176 occasional users.

In fiscal 2019, the average number of paid leaves taken was 15.4 days and the annual total number of working hours per employee was 2,001.18. 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



Platinum Kurumin Mark

Employees Who Took Leave for Nursing Care

	FY2016	FY2017	FY2018	FY2019
Number of employees	22	29	19	7

*Number of employees includes employees using accumulated days off.

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.

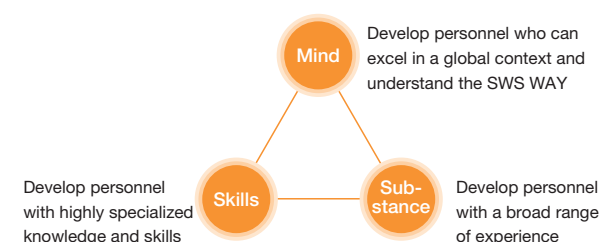
Personnel Philosophy

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 January 2020, we launched the career consultation desk after inviting qualified external parties to offer career counseling for those who seek consultation, including career-track employees with three years of service and mid-career employees. We also conducted e-learning on business etiquette for new employees.

In addition, we revised the contents of the SWS WAY, a set of action guidelines for the SWS Group, after forming a project team

to increase global understanding. 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

Type		FY2017	FY2018	FY2019
Number of training sessions	Nomination-based	10	8	8
	Position and rank-based	33	28	26
	Recommended elective-based	26	29	53
	Optional	21	26	27
	Web-based	39	42	38
	Total	129	133	152
Number of attendees	Managerial positions	1,415	1,194	1,153
	Career-track positions	3,321	3,353	3,462
	General office work positions	1,824	1,892	2,263
	Total	6,560	6,439	6,878

*Figures exclude new employee training for career-track positions, 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 core personnel at our overseas Group companies.

Global Leadership Development Program (GLP)

The GLP is held once a year to develop future executive and managers. Participants learn what they need to know in the area of leadership during the five-day training session, which is held in Japan. In fiscal 2019, 23 people participated from 11 countries.

Overseas Managers Training

To develop future executive candidates and promote mutual networking between companies, we offer training for managers in four regions worldwide. In fiscal 2019, we also conducted training for managers in the Philippines. In fiscal 2019, 79 managers participated from 10 countries.

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 2019, the 23rd year of the training, 158 employees who had then joined the company were dispatched for training to five plants in Vietnam, the Philippines, and China.

Overseas Trainee System

Young employees selected to work overseas are trained for a certain period from 6 months to 1 year. A total of 469 employees (as of March 31, 2020) worked under this system and are now applying the experience they gained to their career development.

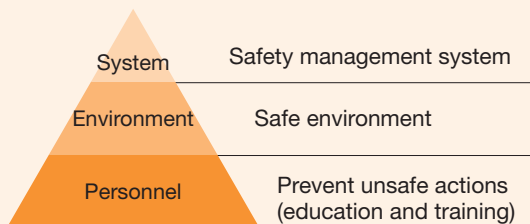
Health and Safety

Philosophy and Policy

With “Safety is our top priority” as the foundation of our business, the SWS Group strives to secure the health and safety of its workers with a spirit of respect and rigor that affords no opportunity for industrial accidents. We will strive to achieve zero accidents by following our Safety Activity Policy, shown below.

Safety Activity Policy

22VISION: Foster a safety culture ► Achieve zero risks and accidents



Strengthening the Global Safety Management System

To strengthen the safety management system at the global level, we divided the world into eight regions to reinforce regional collaboration. In fiscal 2019, the Safety & Environment Division and Safety Managing Company conducted audits, training and onsite guidance for 58 companies in ASEAN countries, China, Europe and the U.S. And we will continue to provide onsite guidance.

In addition to these offerings, each company conducts self-audits twice a year, and if any issues are discovered, we dispatch staff from the Safety & Environment Division of the head office and safety inspectors to inspect and correct them. Safety inspectors have been qualified by the Safety & Environment Division, and we currently have 29 of these individuals. In fiscal 2019, we conducted 52 safety inspections.



During the safety inspection

Focusing on Raising Global Awareness

Most of the industrial accidents that have occurred in the SWS Group happened during non-core tasks such as transport, maintenance, and cleaning as well as due to human error such as tripping or falling while walking. We conduct a number of awareness-raising campaigns as a countermeasure to the recent increase in injuries caused by tripping or falling while walking or engaging in unsafe behavior.

In fiscal 2019, we implemented the “Switch/Power OFF Activity” to ensure that safety precautions are thoroughly taken during maintenance work; the “3S+3D (sorting, setting-in order, and shining + designate position, designate materials, and

designate quantity) is a safety activity aimed at ensuring that all our employees worldwide are complying with the Groupwide safety rules; the “3 Rules” to address the decline in safety awareness and lack of training. We have established these as global standards and apply them as our basic concept for safety training at new sites and new employee training. We also conducted the “Safety Monitoring” campaign at overseas sites to encourage onsite workers to warn and inform each other of any unsafe situation or behavior.

In addition, we have completed company-wide training through the Be-Safe Project for 361 employees in 70 companies. The project was launched in fiscal 2019 to address the occurrence of major accidents and near-miss incidents involving equipment. In March 2020, we established the new Equipment Safety Promotion Office, which is specialized in the project to promote further efforts in collaboration with the Equipment Department. In fiscal 2020, we intend to eliminate equipment-related major accidents, such as those involving the collapse of parts of building structures or electrical shock, by not only expanding the range of safety projects but also rolling out good examples of safety management practice throughout the company, systematically conducting equipment and building safety training for the relevant personnel and rebuilding the safety system for all equipment and buildings, both old and new.

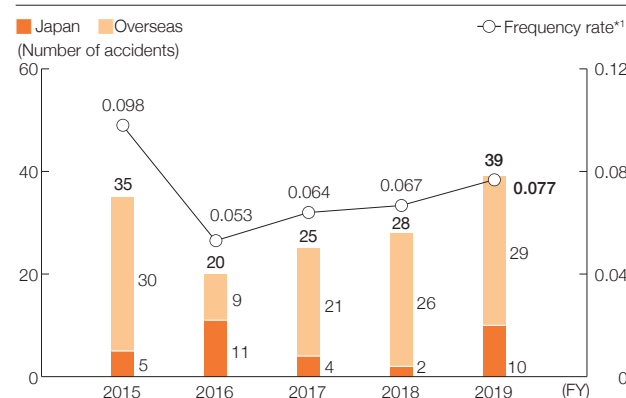


Pocket cards of the 3S+3D and 3 Rules in various languages

Global Industrial Accident Statistics

In fiscal 2019, the number of industrial accidents was 10 in Japan and 29 overseas, representing an increase from fiscal 2018. Therefore, we implemented special safety activities from November 2019 to June 2020 to prevent any further rise in the number of accidents. Since many of these involved inexperienced employees, we have taken steps to make sure our staff are aware of safety by distributing videos presenting simulated dangers around their worksites. We will continue our efforts to prevent the recurrence of industrial accidents by analyzing the underlying factors for each.

Global Industrial Accidents Trend (Global)

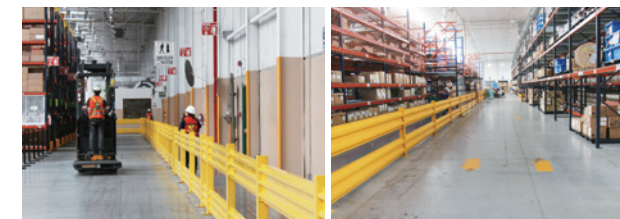


^{*1}For improved accuracy, the values of the previous fiscal year have been revised.

Strengthening Safety Measures for Forklift Operators

Most transport work undertaken at our workplaces requires a forklift, and forklift-related accidents can be fatal. With this in mind, we have been actively strengthening safety measures for forklift operators since fiscal 2014 in order to eliminate such accidents. Measures include the separation of work areas and the assigning of different work hours for regular workers and forklift operators so that they are not present at the same time.

We have been working since fiscal 2019 to complete the separation of forklift operations from walking areas and plan to see the work completed at all our sites by fiscal 2022.



Separating forklift operations from walking areas

Equipment Certification

Since the introduction of a safety certification program for our production equipment in 2012, a risk assessment and safety confirmation are required for all areas where equipment is used. In fiscal 2016, we started reviewing our 18,778 units of production equipment installed prior to mandate so as to confirm compliance with the current safety standards. Although we finished reviewing all the equipment, our Equipment Safety Promotion Office plans to review it all again under the revised assessment method.



Certification Sticker

Safety Assessment and Measures for Buildings

Since the number of buildings and facilities aged 20 years or above is increasing across the entire Group, a simultaneous survey on structural damage in buildings and common facilities was conducted at 105 sites in 75 companies. We closely examined the urgency level in four stages, and completed repairing 416 cases that were assessed as urgently requiring repairs and requiring repair or modification plans by the end of fiscal 2019.



Before (left) and after (right) repair

Securing Safety of Suppliers

We ask all our suppliers to maintain a safe work environment in our CSR Guidelines for Suppliers as a safety requirement.

Health Initiatives

Under the health philosophy of the Group, which states “the health of each employee is a prerequisite for a lively company,” the SWS Group strives to prevent health hazards and maintain the physical and mental health of our employees. We are promoting health-related activities in cooperation with the relevant personnel by stationing occupational health staff in the Human Resources Department at the SWS head office as well as in each region. In April 2020, we established a health declaration to strengthen our health promotion efforts by linking them to productivity improvement.

Specifically, we support the health of our employees by raising awareness through such initiatives as mental health promotion and prevention training, walking events, and health festivals.

We also strive to improve workplace environments by conducting stress checks and promoting health and productivity management^{*2}, such as preventing passive smoking. In recognition of these efforts in March 2020, we were certified as a 2020 Certified Health & Productivity Management Outstanding Organization^{*3} (under the large enterprise category), a program jointly sponsored by the Ministry of Economy, Trade and Industry (METI) and the Nippon Kenko Kaigi; this marked the second consecutive year for receiving this certification.

Employee Health Status (FY2019) and Results of Initiatives

Category	Items	FY2018	FY2019
Regular medical checkups	Overall rate of abnormal findings	56.5%	57.5%
	Rate of those who received a detailed checkup on lifestyle-related diseases	62.0%	72.0%
Lifestyle habits	Rate of those who exercise regularly*	27.2%	28.4%
	Rate of those who are well rested with good sleep	52.5%	50.9%
	Rate of smokers	27.6%	26.7%
Mental health	Response rate	91.8%	92.8%
	Rate of those experiencing high stress	10.5%	10.1%

^{*}Percentage of people who walk or perform equivalent physical activities for more than one hour per day on a daily basis.



Glossary

- ^{*1} Frequency rate: The number of fatalities due to occupational accidents per million hours worked, indicating the frequency of accidents.
- ^{*2} A management approach whereby enterprises focus on and strategically carry out efforts with regard to employee health from a management perspective. It is expected that an enterprise's investment in health-conscious activities will contribute to encouraging the vitality of employees and enhancing productivity, ultimately leading to improvement in performance (information from the website of METI).
- ^{*3} A program in which METI recognizes outstanding enterprises engaging in health and productivity management practices based on initiatives for overcoming health-related challenges in communities or for promoting health-conscious activities led by the Nippon Kenko Kaigi.