

# Creation of a Vigorous and Lively Workplace

3 GOOD HEALTH AND WELL-BEING









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



# Creating a Workplace that Embodies Diversity through Awareness, Corporate Culture and Environmental Reforms

Sumitomo Wiring Systems offers a number of programs, including those that support employee work-life balance. I am in charge of promoting D&I (Diversity & Inclusion) and take part in activities for creating a workplace that embraces diversity.

In order for employees to truly understand the role of D&I in the creation of working environments where they can be comfortable and enthusiastic, they have to be aware of the background and necessity of related efforts. In striving to effectively communicate the company's intentions, we will continue to support initiatives for making Sumitomo Wiring Systems the "world's most rewarding and vibrant company" for all employees.

D&I Promotion Section, Human Resources Department, Administration Division, Sumitomo Wiring Systems (SWS) (Japan)

Wakana Taguchi

# **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

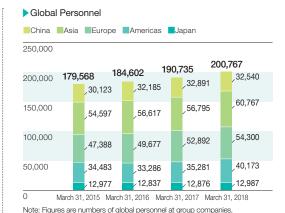
Since fiscal 2013, we have been promoting the development of dynamic workplaces to encourage active communication, increase operational efficiency and promote the raising of employee awareness of human rights. Selected annually by each department, the members of the Dynamic Workplace Promotion Committee share the information they have obtained by participating in human awareness training in their respective workplaces. 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

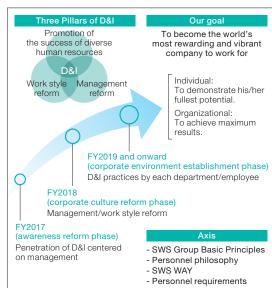
In May 2017, the Sumitomo Wiring Systems Group conducted an employee survey to revitalize the workplace environment and improve employee satisfaction. We will ensure that our workplaces are vibrant and satisfying by formulating and implementing measures based on the issues revealed by the survey.

# 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. Starting with fiscal 2017, each year will represent a specific phase in this reform, from employee awareness to corporate culture and then corporate environment. Simultaneously, 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.



#### ▶ Overview of the D&I Promotion Plan





LGBT Seminar Held for the Vibrant Workplace

#### Management Reform

As part of the management reform in fiscal 2017, we conducted 13 workstyle review sessions for managers (lku-boss training for maintaining a healthy work-life balance) attended by 802 people, became a member of the "lku-boss corporate alliance" and released an lku-boss declaration. These actions and the declaration will facilitate the dissemination of lku-boss style management throughout the company and create an environment in which diverse human resources can play active roles.

#### 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

The Act on Promotion of Women's Participation and Advancement in the Workplace came into force with the goal of realizing a society in which women who desire to play an active role in their workplace can exert their individual talents and skills. Sumitomo Wiring Systems has established numerical targets and action plans for creating a corporate culture in which employees with various backgrounds can demonstrate their abilities and actively contribute.

In fiscal 2017, we invited an outside lecturer to provide training for female employees not yet in managerial positions. The training helped participants, who differed in their life situations and career attitudes, to become more aware of the available career opportunities. We are implementing measures with a proven impact on all our employees. As of April 1, 2018, the number of female managers reached 32, or 1.8% of all managerial positions. The numbers of hired female career-track employees were 12 for administrative work and 6 for engineering. While the goal for the ratio of female career-track employees was achieved for new hires in April 2017, we will steadily carry out our action plan to promote the advancement of women in the workplace.

## • Employment of Physically or Mentally Challenged Persons

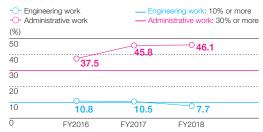
We established our special subsidiary, SWS Smile, in May 2013 to promote the employment of physically or mentally challenged persons and enhance our support system to correspond with individual abilities. As of May 2018, five years after its launch, SWS Smile has employed 38 physically or mentally challenged workers and 13 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.

# ·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 2017, 20 employees have used the program, and 12 signed up for the first time in April 2018. 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.

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



Note: Calculated as of April 1 of each year.

#### ▶ Employment of Physically or Mentally Challenged Person



Note: Calculated as of June each year. The basis of calculation was changed following the establishment of SWS Smile in fiscal 2014.



Employees on the job at SWS Smile, Ltd.

#### Voice

Sincerely Grateful for this opportunity that has enriched my life, that opened doors for new experiences, insights and personal development.



# Iulia Moldovan

Training Programme Manager Deva Plant SEWS-Romania S.R.L (SEWS-R) (Romania)

At the recommendation of my Line Manager, I decided to participate in the Global Relocation Program to increase my knowledge, skills and experience. Currently working in the Human Resources and HR Development Departments, at the SWS head office. I had the opportunity to explore new areas of human resources, deepen my understanding of the values and principles of Sumitomo through SWS WAY and have been developing a training program for promoting cross-cultural understanding.

While experiencing a cultural change myself and interacting with people with different backgrounds and values, I have learned the value of adaptability and effective communication.

I am grateful to my colleagues that provided me their warm support to easily integrate in the team, to overcome the challenges of living in a different country and going on trips that made me enjoy the beauty of Japan. I am grateful for the excellent Global Relocation Program, which will open up new opportunities in the future.

#### 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 proactively carry out measures that support employees in balancing work and family life. Under Japan's Act for Measures to Support the Development of the Next Generation, we launched our Fourth Action Plan on March 1, 2014, with the objective of creating a workplace culture that facilitates the balancing of work and family life for both men and women. In addition to further improving various childcare and nursing care initiatives, including childcare leave and reduced working hour programs, we focused on expanding measures for the work-life balance, such as by introducing a system that makes it easier for both male and female employees to participate in child rearing and implementing Parent's Meetings. As a result, we acquired in May 2016 the Platinum Kurumin Mark, the next-generation accreditation mark certified by Japan's Ministry of Health, Labour and Welfare. Moreover, we opened the onsite day care center, "SWS Connect Kids", in April 2017 to support the success of employees with children. Looking ahead, we will be verifying the impact of the work systems we plan to launch: telecommuting, a work-interval system that requires employees to take a certain rest interval between working hours and a "super flex" system with no core working times. Also, we encourage employees to take their paid leaves to maintain their work-life balance. In fiscal 2017, the average number of paid leaves taken was 14.88 days, the average rate of paid leave taken was 74.4% and the annual total number of working hours per employee was 2,024.1 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.

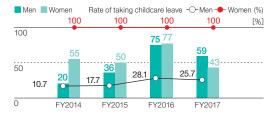
# Opening SWS Connect Kids, an Onsite Day Care Center

In April 2017, we opened SWS Connect Kids at the Yokkaichi and Suzuka Plants for employees whose working hours have been restricted by child rearing to provide them with an environment to overcome these restrictions and demonstrate their full potential. The day care center reflects our desire for children to grow into adults who are connected to their local communities and the world. The number of children we had in this



center as of March 2018 was 11 as regular use, and a cumulative total of 200 uses were made by children for occasional use over the FY 2017.

#### Employees Who Took Leave for Childcare



Note: Number of employees who applied for (female employees who gave birth) and took childcare leave

#### ▶ Employees Who Took Leave for Nursing Care

FY	2014	2015	2016	2017
Number of employees	18	21	22	29

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



Platinum Kurumin Mark

#### Voice

# Achieving a Work-Life Balance

#### Satoshi Miura

Manager, RB Section, Components Procurement Department I Procurement Management Division Sumitomo Wiring Systems, Ltd.



To avoid any work-related problems that might occur during my childcare leave, I adjusted my work schedule according to my wife's due date. Although my initial plan was pushed back a little due to a delay in the actual birth, I was able to take the leave with the support and understanding of my coworkers, and I'm very grateful for that. At the time I took the leave, many employees were still not aware of the system, and only a few employees have used it. Today I definitely feel a growing interest in the system among employees. In fact, more male employees have sought my advice on the system. I expect to see SWS continue to enrich the system, promote it through such actions as holding seminars for all employees, and increase workplace understanding and support for those who use it.

# 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)

# Mind Develop personnel who can excel in a global context and understand the SWS WAY

Skills

Develop personnel with highly specialized knowledge and skills

Develop personnel with a broad range of experience

# 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 2017, we implemented a number of measures, such as providing a new management training program, and we plan to launch capacity building programs in fiscal 2018.

We will also continue to support the career development of 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 (training, self-development, etc.) developed through discussions with their supervisors and then implemented.

### Development of Global Human Resources

The SWS Group cultivates personnel who can keep pace with the globalization of our businesses. We continually upgrade our global training programs in areas such as languages, diversity, cross-cultural management, personnel management and international operations.

Also, we are bolstering human resource development at our overseas Group companies by organizing training for executive candidates and managers. These efforts are intended to cultivate global human resources throughout the Group.

#### GLF

Our Global Leadership Development Program (GLP), held once a year, is designed to develop senior executives. For overseas candidates, we conduct a three-day training session in Japan to pass on to them the knowledge necessary for leadership.

## Regional Managers Training

In fiscal 2012, we launched the Regional Managers Training program for managers based outside Japan and began by conducting training sessions in Europe. In fiscal 2017, we provided training sessions in the U.S. and Australia, with 54 participants from 15 countries and 3 regions. Starting in fiscal 2018, we will also provide training sessions in China to cultivate global management utilizing local human capital.

#### • 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 2017, 123 employees who had joined the company that year were dispatched for training to four plants in Vietnam and the Philippines.

#### Overseas Trainee System

In our overseas trainee system, each division selects trainees from its younger employees and dispatches them to work overseas for a certain period of time.

Since 2007, 411 employees have gained experience encompassing the cultivation of diverse values and improvement in management capabilities. They are now applying that experience in their career development.

#### Past Training Programs

Туре		FY2015	FY2016	FY2017
Number of training sessions	Electives	8	9	10
	Position and rank-based	29	30	33
	Recommended elec- tive-based	27	25	26
	Optional	22	22	21
	Web-based	32	35	39
	Total	118	121	129
Number of attend- ees	Managerial positions	736	829	1,415
	Career-track positions	2,350	2,225	3,321
	General office work positions	1,492	1,576	1,824
	Total	4,578	4,630	6,560

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





Regional manager training

New employee training at an overseas

#### Voice

To Be a Leader Who Does Not Take the Current Situation for Granted and Leads the Team in the Right Direction



Jan Luca Doland SEWS CABINED S.p.A. (SEWS-CI) (Italy)

Participating in the regional manager training allowed me the opportunity to think deeply about how the action principles of the Sumitomo Wiring Systems Group correspond with my daily duties. Discussions with other participants on the history of Sumitomo Wiring Systems also impressed me with the level of environmental conservation efforts the company has been making. One principle of the SWS WAY, "better manufacturing" made me think about the importance of never being satisfied with the status quo, even if it had seemed to be the best, and to keep aiming higher. Leaders need to motivate team members so that they perform at a higher level and embrace this attitude. They also need to guide team members into the ideal future and correct direction. I am grateful for the opportunity given to me and will continue to practice what I have learned in the regional manager training.