

## Priority Issues for Promoting CSR



# Establish a Truly Strong Organization



## Background and Recognition of Issues

At a time of rapidly accelerating business globalization, enterprises are expected to promote decent work, which is to say, work that is humane and rewarding. This includes respecting basic human rights such as national and local cultures and customs, providing a working environment where employees can work in safety and health, providing fair labor conditions, and paying fair and just compensation.

At the same time, as competition intensifies between enterprises and the working population is predicted to decline over the medium- to long-term, especially in the industrialized nations, establishing an environment in which diverse personnel can participate and developing global human resources are critical management issues.

## Vision

The employees that will provide value to customers and the community must grow if we are to survive the competition of the global market and attain sustained growth.

The Yazaki Group believes that realizing our Fundamental Management Policy principle “Care for people by creating a corporate culture that prioritizes individuality and team-work, while empowering people’s dreams” will allow us to grow as an enterprise. In keeping with this belief, we aim to establish a satisfying working environment in which all employees can work to the best of their abilities and diverse work styles can be accommodated, and we aim to continually increase our organizational capability and productivity.

We will also focus on promoting diversity, developing human resources that can work globally, and securing excellent personnel with outstanding skills.



About Us

Offer Solutions to Increase Society's Prosperity

Build Healthy and Solid Supply Chains

Establish a Truly Strong Organization

Contribute to Development of Local Communities

Strengthen the Global Environmental Management System

Enhance Global Governance and Internal Control

## Responsibilities to Employees

### Basic Concept

The Yazaki Group believes that realizing our Fundamental Management Policy will lead to our growth as an enterprise. The Yazaki Group works to prepare its personnel system and workplace environment in order to respond to social change and the needs of employees based on the five employee related policies in our CSR Policy.

### Sincere Dialogue with Employees

The Yazaki Group values mutual understanding and trust between labor and management in aiming for further development and improvement of its personnel system and workplace environment in collaboration with the All Yazaki Union of Japan. A labor affairs review committee meeting and branch office labor-management conferences are held monthly in addition to an annual labor council to examine regulations and verify performance. We also strive for the exchange of opinions between labor and management through biannual branch office visits. We focus on the realization of one of the declarations, "Creation of a corporate atmosphere and culture that fosters workers' mental and physical health," included in the Yazaki Group Labor-Management Joint Declaration. We will continue to promote activities aimed at a better working environment through the collaboration of labor and management.

### Establishing a Comfortable Workplace

The Yazaki Group is endeavoring in several ways to manage labor and raise awareness of work style reform. We are enforcing the upper limits on overtime work and making sure that employees take five days of annual paid leave every year as required by Japan's work style reform legislation as of April 2019. We have an attendance management system in place to help workers and their superiors see plainly how many overtime hours workers have put in and whether they have taken their paid leave.

### Further Enhancement of Personnel System

We operate a personnel system called Rewarding Employees Who Worked Hard to properly evaluate employees who are motivated in their roles and produce results. In fiscal 2018, our initiatives focused heavily on enhancing training for management and our evaluation manual with the aim of furthering the practice of setting appropriate goals for evaluations. We will continue to constantly enhance our personnel system so that all our employees can work with a sense of motivation.

## Respect for Human Rights

### Basic Concept

In keeping with our Fundamental Management Policy, the Yazaki Group respects the human rights of our employees, noting international norms and national laws and customs, and works to establish an environment to enable each and every employee to fulfill their potential.

### Preventing Discrimination and Harassment

The CSR Policy of the Yazaki Group stipulates that we shall respect diversity and work to eliminate discrimination. Our Code of Conduct for employees, moreover, states that we shall eliminate discrimination in all its forms, including those based on nationality, race, sex, sexual orientation, age, place of origin, educational background, family relationships, disabilities, religion, and differences in form of employment.

Specific initiatives include diversity training and harassment training in order to foster a culture that prevents harassment from happening. We have also set up a harassment hotline where people can report incidents of abuse of authority, sexual, and other harassment, and we have means in place to quickly discover and respond to situations that violate human rights.

### Preventing Child Labor and Forced Labor

The Yazaki Group takes a variety of initiatives to prevent child labor and forced labor in our supply chains. To combat child labor, we survey overseas sites on their compliance with minimum working age under international norms and national laws and ordinances. We also do site audits of subsidiaries in Japan who host technical interns. In these, we are auditing their internship programs using a check sheet that includes items relating to child labor and forced labor.

### Responding to the UK Modern Slavery Act

In October 2015, the UK Modern Slavery Act 2015 came into force in order to eradicate modern slavery. Yazaki Corporation and Yazaki Europe Limited published statements against modern slavery in our supply chains on our websites to ensure compliance with the requirements of the legislation.



#### Slavery and Human Trafficking Statement

[https://www.yazaki-group.com/global/pdf/statement2018\\_e.pdf](https://www.yazaki-group.com/global/pdf/statement2018_e.pdf)

## Developing the Next Generation of Human Resources

### Basic Concept

The Yazaki Group is in the business of manufacturing goods, but our ideal of Monozukuri can only be achieved by developing people. Since the development of people is the starting point of everything, we support it through a variety of programs and systems. Our CSR Policy, moreover, states that we will actively pursue human resource development for our employees, and we provide diverse training programs to enhance their skills and creativity.

Under the Yazaki Group training system, employees who voluntarily choose to do so can participate in Yazaki Summer Camp as instructors or take job promotion training, language training, and more. One characteristic of the Yazaki Group's training system is that it provides environments suited to those wishing to grow.

### Training System Overview

Yazaki Summer Camp	<ul style="list-style-type: none"> <li>Overseas summer camps</li> <li>Summer Camp in Japan</li> <li>Domestic summer camps</li> </ul>
Global leadership training	<ul style="list-style-type: none"> <li>YAZAKI Leadership Development Seminar</li> <li>YAZAKI Global Leadership Program</li> </ul>
Management training	<ul style="list-style-type: none"> <li>Trainings for executives</li> <li>Management Roundtable Conferences</li> <li>Trainings for managers</li> <li>Position-specific study sessions</li> </ul>
Study abroad system / overseas training	<ul style="list-style-type: none"> <li>Overseas trainee program</li> <li>Toyota Technological Institute study program</li> <li>MBA study program (in Japan and overseas)</li> </ul>
Rank-specific training	<ul style="list-style-type: none"> <li>Training when joining the company</li> <li>Job promotion training</li> <li>Follow-up workshops</li> </ul>
Language / overseas assignment training	<ul style="list-style-type: none"> <li>On-the-job training for workplace English</li> <li>Training prior to overseas transfer</li> </ul>
Worksite HR development	<ul style="list-style-type: none"> <li>Workplace training (on-the-job training, off-the-job training, personal development)</li> <li>Common training for divisions and workplaces</li> </ul>

New employees → Management

### Yazaki Leadership Development Seminar

The Yazaki Leadership Development Seminar, which we have conducted since fiscal 2011, is for young managers and manager candidates, who were recommended by their superiors. The seminar aims to develop basic management knowledge, the business skills and mindset to play an active role globally under diverse environments.

In fiscal 2018, a total of 20 people from 11 countries participated in the seminar and engaged in project work based around the theme of the vision and core business for the Yazaki Group in 10 years' time. On the final day, we held a proposal presentation session, which included the division managers involved with the trainees from Japan and overseas. Obtaining advice from a managerial point of view enhanced the perspective of the trainees.



A presentation session

### Yazaki Corporate Culture Training

Yazaki Corporate Culture Training celebrated its 24th anniversary in 2019. It is a personnel development program for employees of overseas Group companies to learn the Japanese language and culture, and deepen their understanding of Yazaki's corporate culture by experiencing work in Japan.

In fiscal 2018, six people took part in the program, which has been completed by 230 people to date. During the program, participants deepen their communication with Japanese staff during their one-year stay in Japan and serve as intermediaries between Japan and branch offices in their own countries after returning home.



A trainee experiences Japanese culture

### Yazaki-juku (Dialogue with Top Management)

We organized *Yazaki-juku* as a place for employees to exchange views directly with top management, deepen mutual understanding, and get a wider perspective. In the Follow-up Workshop, first held in 1983, employees who have been working for Yazaki for over five years discuss the principles and objectives of the Yazaki Group with the Chairman. In the Management Roundtable Conference, first held in 1999, department managers exchange views with the president on their visions of how to manage a workplace. In fiscal 2018, the Follow-up Workshop was held nine times with 132 participants, and the Management Roundtable Conference was held five times with 30 participants.



Follow-up workshop participants

#### FY 2018 HR development results (no. of persons)

Program	No. of persons completing
Training for persons joining company in mid-period	472
Training when joining the company	640
Training for Rank 4 promotion	69
Training for Rank 6 promotion	274
Training for Rank 8 promotion	306
Seminar for New Assistant Managers	96
Seminar for New Managers	61
Seminar for New Division Managers/ New Subsidiary Presidents	29
Seminar for Associate Directors	19
Seminar for New Executive Officers	6
Follow-up Workshops	132
Management Roundtable Conferences	30
Yazaki Corporate Culture Training	6
Trainings for executives	36
YAZAKI Leadership Development Seminar	20
On-the-job training for workplace English	36
Toyota Technological Institute study program	1*

\* Graduates in April 2019: 1

### Promotion of International Understanding Support Center Project

The Yazaki Group believes that it is important for employees to combine their skills of creativity, autonomy, language, and understanding of different cultures and to foster global personnel who challenge themselves and take on challenges. We would like to expand our support activities for international understanding and education by supporting the development of global personnel in local educational institutions and companies.

The Adventure School, started in 1993, is a part of the internationalization project. So far, more than 1,300 people in 44 host countries have participated. In fiscal 2018, seven future fulltime employees participated before starting work at the company and engaged in activities with people from all over the world for one year.



**More Information about Adventure School**

[https://www.yazaki-group.com/75th\\_en/episode/spirits/004/](https://www.yazaki-group.com/75th_en/episode/spirits/004/)



Adventure School participants

## Respecting Employee Diversity

### Basic Concept

The Yazaki Group respects the diversity of our employees and provides equal employment opportunities. Specifically, we work to establish a working environment in which all employees can work to their full potential, regardless of nationality, race, sex, sexual orientation, age, place of origin, educational background, and the like.

### Promoting Work-life Balance and Active Roles for Women

We are working on a variety of initiatives to create a workplace where all employees can work with high motivation and satisfaction. The Yazaki action plan for responding to the Act on Promotion of Women's Participation and Advancement in the Workplace (enforced on April 1, 2016) set a target of doubling the number of female management candidates and females in expert jobs compared to fiscal 2015 by fiscal 2020. In fiscal 2018, we reached that target ahead of schedule. Going forward, we will continue to respect the diversity of employees and strive to enhance systems and create a corporate culture that encourages workplace participation and self-improvement.

### Childcare / Nursing Care Support System

We established and began operating by rules that create opportunities for superiors to explain our childcare support system to their subordinates. This is to create a culture that makes it easy for employees to use childcare-related systems.

#### Number of employees who took leave for childcare, nursing care, and elderly care

Category	2014	2015	2016	2017	2018
Parental leave	98	99	105	84	72
Short working hours due to childcare	155	177	172	190	222
Nursing care leave	67	64	74	86	85
Continuous elderly care leave	3	1	5	2	1
Short working hours due to elderly care	1	1	2	2	4
Elderly care leave	2	1	9	11	11

### Utilizing Older Workers and Passing on Expertise

The Yazaki Group strives to re-employ retired employees in order to contribute to securing employment for older workers and to pass on their advanced skills and techniques to the next generation. In fiscal 2018, we employed 452 employees, including 100 new employees, for Anchor\* positions, and 153 employees, including 36 new employees, for Elder\* positions.

\* Anchor targets permanent employees while Elder targets contract employees.

## TOPICS

### Yazaki Mommies Program

Eight Yazaki Group corporations in four South American countries have run mothering courses for pregnant employees in all their factories since 2006. The course took place 152 times in fiscal 2018, with 397 individuals participating. The program offers sessions to learn the basics of motherhood. Outside experts teach women how their bodies change during pregnancy, how to care for themselves after giving birth, and how to care for their infants, among other topics. We additionally provide an environment in which pregnant women can work with confidence at each site. For example, we take steps to lessen workloads in production processes so they are less physically demanding.



Employees of YBM (Brazil)



At a study session

## Expanding Employment and Occupations of Persons with Disabilities

In our CSR Policy, the Yazaki Group has pledged to respect diversity, and we strive to create a working environment that enables all employees to make the most of their skills and aptitude and work with enthusiasm.

In terms of promoting employment of persons with disabilities, the Yazaki Group has standardized operations and reinforced follow-up systems along with creating a disability-friendly working environment. In fiscal 2018, 290 persons\* with disabilities, including those newly hired, were working for the Yazaki Group. The employment rate of persons with disabilities was 2.38%.\*

Moreover, 28 employees with disabilities are employed at special subsidiary Yazaki Business Support Co., Ltd. in Susono City, Shizuoka Prefecture, where they are mainly engaged in management and cleaning of welfare facilities and collective waste management services. To enable them to continue working, we have arranged and developed qualified personnel, such as an in-house job coach and an employment counsellor, to strengthen our support systems.

\* Total of Yazaki Corporation, Yazaki Meter Co., Ltd., Yazaki Parts Co., Ltd., Yazaki Energy System Corporation, and Yazaki Business Support Co., Ltd. calculated based on the Act on Employment Promotion of Persons with Disabilities.

### TOPICS

#### Shizuoka Prefecture Special Subsidiary Liaison Council

The Shizuoka Prefecture Special Subsidiary Liaison Council was established in 2016 to boost hiring and employment of persons with disabilities, help special subsidiaries share information, knowledge, and experience with each other, and support businesses planning to hire persons with disabilities. Endorsing the council's mission, Yazaki Business Support Co., Ltd. has been a member since its founding. In 2018, it became one of the five organizing companies for the council, thereby starting new duties as a member studying ways to promote employment of persons with disabilities in Shizuoka Prefecture. The role of an organizing company includes reporting to the Shizuoka prefectural government on programs related to the improvement of workplaces employing persons with disabilities. Yazaki Business Support will continue to fulfill its role as an organizing company for the benefit of the 30 participating companies.

#### Shizuoka "Abilimpics" Professional Skills Championship for People with Disabilities

The Shizuoka "Abilimpics" Professional Skills Championship for People with Disabilities took place in June 2018. One Yazaki Business Support employee with disabilities competed in the Office Assistant division. The employee took third place in a field of 20 competitors from enterprises and special-needs schools.

## Promoting Health & Productivity Management

### Basic Concept

The Yazaki Group\* aims to establish maintenance of good health among all employees as a part of its corporate culture. We work with Group companies and our employees' insurer (our health insurance society) to take physical and mental health measures that respect employees' individuality and independence.

As a result of these initiatives, in 2018 and again in 2019, the Yazaki Group was recognized in the large enterprise category of the Certified Health & Productivity Management Outstanding Organizations Recognition Program (White 500), which is jointly run by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi. We will continue to implement health management and strive to maintain and promote good health for our employees.

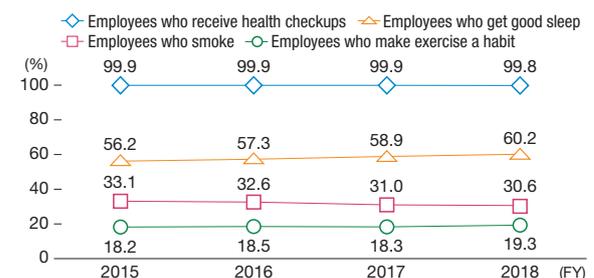
\* Yazaki Corporation, Yazaki Meter Co., Ltd., Yazaki Parts Co., Ltd., Yazaki Energy System Corporation

### Improving Mental and Physical Health

Regular health checkups are a basic measure for physical health, so we ensure that 100% of Yazaki Group employees get them. If an employee is found to be at high risk, we recommend a follow-up checkup and try to get the results. We run a lifestyle improvement program for employees with mild hypertension who wish to join. We also actively take steps against smoking. That includes initiatives to prevent passive smoking and others to lower the percentage of employees who smoke.

As a mental health measure, we have been providing stress checks, designed to promote self-care, since 2009, before they became mandatory under the Industrial Safety and Health Act. Based on stress check results, nurses actively offer health advice to employees with high stress levels. To try to improve workplaces at the departmental level, we work to prevent mental health issues by encouraging communication based on original workplace improvement plans.

State of Health Management



**Major Initiatives on Health Measures**

Action item	What is being done
Lifestyle Disease Improvement Program	A voluntary program for employees with mild hypertension, it guides them with an exercise program and dietary advice to prevent hypertension from worsening. The program is being gradually expanded to more sites.
Lunch cost assistance	Employees are given assistance with lunch costs, regardless of whether there is a cafeteria, to encourage good physical health by getting proper meals.
Stress check workplace improvement	We use original workplace improvement plans to try to improve departments that have many issues according to stress check results. By observing over time, we also try to prevent mental illness by confirming whether the workplace improvements are effective.
Passive smoking prevention initiatives	We listen to opinions of both smokers and non-smokers as we work to prevent passive smoking. On World No Tobacco Day (May 31) in particular, we make an effort to prevent passive smoking throughout the Group.

**Wellness Promotion Project**

We launched the Wellness Promotion Project for the purpose of creating a corporate culture in which employees can develop and nurture healthy ways of living and working, and are currently operating a range of programs under it.

In fiscal 2018, we began a unique training to increase communication in the workplace. We invited Ms. Aya Obayashi from Wellbeing Communication Laboratory to lead the training, which used Cx3 BOOSTER\* in fun team-building exercises. Participants said they felt closer to other participants after the training and that they saw sides of each other that they had not expected.

Under the Wellness Promotion Project, we will continue to work on new initiatives to balance the health and job satisfaction of employees.

\* A game-like communication tool that draws out each member's personality to enhance teams' creativity and ability to cooperate.

**Health Management for Those on Overseas Assignments**

For employees working abroad, we practice health management at the same or even higher level than in Japan, because these individuals must live long-term in places very different from Japan in terms of health care, sanitation, food, and the like. They undergo very thorough medical exams once a year from the start of their overseas assignment until they return. Our goal is that with the advice of occupational physicians for employees working abroad, employees will come back even healthier than when they left Japan. Employees working abroad also receive mental health checks once a year so that any changes in condition can be detected early and an occupational physician for employees working abroad can check on them if necessary.

We also have a 24-hour advice line just for these workers, who can access the service at any hour from any country.

**TOPICS**

**Customized wellness training**

We are getting more calls for advice about a number of workplace issues (e.g., workplaces say their stress check numbers are too high or they want to deepen communication), and there is a growing need to support each workplace in a way suited to their issues.

In fiscal 2018, therefore, we started customized training in which members of the Wellness Promotion Project sit down with employees to think about their workplace issues relating to healthy work styles and arrange the optimal content for them.

These trainings were given 11 times in fiscal 2018.



At a training

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# Creating a Safe and Comfortable Workplace

## Yazaki Group 78th Period Health and Safety Policy



Director and Executive Vice President,  
Yazaki Corporation

- 1 Top management and all employees take unified action to conduct health and safety initiatives anchored in legal compliance as we seek to firmly establish a safety culture.
- 2 We work to maintain and strengthen our workplaces' independent health and safety systems and continually make improvements as we seek to eliminate accidents.
- 3 We work to further enhance workplace communication and maintain and promote employees' physical and mental health with new measures.

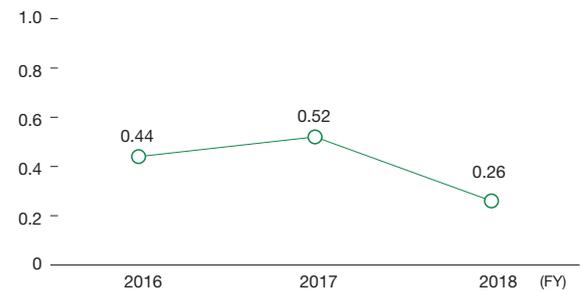
## Occupational Health and Safety System

At domestic production sites, we are working to improve the safety awareness of our employees by conducting risk assessment activities to detect and prevent potential risks in the workplace through activities such as risk prediction and risk sensitivity training. We are also making efforts to improve the working environment by prioritizing the safety of not only employees but also temporary staff and external contractors at all of our sites through such means as conducting workplace diagnoses to evaluate the level of safety and health management. In the event of an industrial accident, we respond immediately and ensure that information, including countermeasures, is shared within the company in an effort to prevent the recurrence of similar accidents. As a result of these efforts, the industrial accident frequency rate (lost work time) at the Yazaki Group was 0.26 in fiscal 2018. In fiscal 2019, we aim to further reduce the number of industrial accidents by working Group-wide against minor industrial accidents, which have been rising. Further, in our global safety and health activities, we also strive to prevent similar accidents and raise awareness of safety by sharing information on industrial accidents.

## Occupational Health and Safety Training

The health and safety promotion department gives health and safety classes to new employees and newly appointed managers as well as practical safety courses and study sessions on health and safety laws and regulations for employees. On top of these, a variety of trainings are given at each site.

Number of Occupational Accidents, Frequency



Health and Safety Training System Diagram \*Includes outside training

Aims / time Rank (grade)	Personal development			Workplace creation	System building
	Entry	Promotion	Specialized	Priority items	Company-wide advancement & follow-up initiatives
Officials & managers		Seminar for New Managers Seminar for New Assistant Managers	Training given when work changes Foreman training* Practical safety training Practical safety training instructor development training General lifesaving workshop* General lifesaving instructor development training Training for earning various qualifications (health officer, etc.)* Traffic safety education Trainings unique to workplaces* Self-care training Line care training RTP training	SC circle activities Risk assessment initiatives Site health and safety diagnosis Health and safety legal compliance checks	Factories Safety committees, meetings of persons in charge Branch offices/management Health and safety liaison councils Follow-up meeting for health management staff Nurses' training
General employees	Training for persons joining company in mid-period	Job promotion training			
New employees	Training for persons joining company				