



# Respecting and Enhancing Human Assets

We respect the diversity of human resources and provide them with the opportunity and environment to enhance and perform their abilities.

## Human Resource Development

### The Company's Basic Philosophy on Human Resources Development

Our basic philosophy is to train workers who "learn on their own, think on their own and act on their own." We aim to develop individuals who are always eager to explore and learn, enjoy overcoming challenges, and continue to evolve every day.

### Training of Global Human Resources

With the aim of developing people who can contribute to expanding global business, we have continued to implement the following training programs.

#### Training young employees to cultivate a global mindset

In order to foster a global mindset among new employees, we provide various types of training in our introductory training for new employees, including seminars on how to study English, sessions for learning about different cultures and TOEIC®\* tests.

We also give support to personal development by providing English learning tools such as correspondence and e-learning courses.

#### Holding English conversation classes inside the company

In order to help employees acquire world-class competencies and proactively communicate with native English speakers, we hold internal English conversation classes taught by native-speaker instructors. At the Toyama Technology & Manufacturing Center, a small-group lesson is given every week.

#### Human resource development support for overseas Group companies

With the aim of training local employees of overseas Group companies, we implement a human resource development support program under which employees selected from overseas Group companies are invited to Japan to gain work experience at the Company. In fiscal 2018, we accepted five local employees under the program, which is intended to help them improve their skills through OJT, acquire knowledge on new equipment and cutting-edge technologies, and develop personal relationships with Japanese employees in related departments.

This program has helped develop employees who can contribute to expanding global business operations, including those of Group companies in and outside Japan. Furthermore, by providing opportunities for people with diverse backgrounds to mix and work together, this program has contributed to fostering diversity awareness among Japanese employees.

\* TOEIC is a registered trademark of Educational Testing Service (ETS) of the United States.

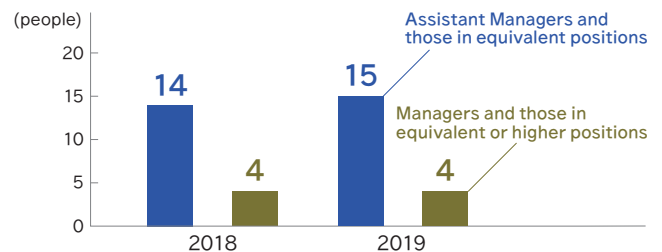
## Efforts to Promote Female Empowerment in the Workplace

With the aim of raising the motivation of female employees toward career development, the Company has been holding a two-day career seminar for female career-track employees. We created a three-year plan from fiscal 2014 to provide all female career-track employees with the opportunity to attend the seminar.

The seminar includes a lecture by an invited guest speaker on the environment surrounding women, a panel discussion with female managers at the Company, and group discussions to provide participants with the opportunity to think about their career development and medium- to long-term career path.

### Number of female managers

(The Company, as of June 1 every year)



## Workplace Diversity

We promote the employment of people with disabilities and the reemployment of older employees. We have adopted a reemployment system for older workers that allows employees who have reached retirement age to extend their employment to age 65. Many employees choose to utilize this system, which enables them to pass on their long-accumulated experience and professional skills to younger workers.

To promote the employment of people with disabilities, we operate an internship program for disabled job candidates that allows the Company to assess the intern's work skills and abilities while giving the intern the chance to try out the working environment, etc. In fiscal 2018, we accepted two special support school students as interns.

### Consultation Counter for Persons with Disabilities

Based on the Revised Act on the Promotion of the Employment of Disabled Persons, which took into effect in April 2016, we have established a system for supporting both employees with disabilities and their workplaces, setting up a consultation counter in order to respond appropriately to their needs and concerns. The consultation counter responds to both inquiries from employees with disabilities and inquiries from workplaces regarding issues associated with the employment of persons with disabilities. The consultation counter also provides advice and assistance to workplaces regarding reasonable accommodations.



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## Health and Safety

Based on the Corporate Statement, “The KOKUSAI ELECTRIC Group strives to create value through technology and dialogue to realize a sustainable society,” we give priority to health and safety at all times in all of our business activities as our basic principle. In line with the following basic policies, we are working to provide employees with safe and healthy workplaces.

1. Regarding health and safety as one of our management priorities, we will conduct activities to further improve our workplaces in terms of health and safety.
2. We will comply with the related laws and regulations as well as with our in-house administrative criteria and will conduct health and safety activities focusing on the basics.
3. All employees will proactively participate in health and safety activities and make a concerted effort to make their workplaces comfortable and to nurture a culture of safety.
4. We will enhance collaboration with all the companies concerned to ensure the health and safety of all those related to our business activities.
5. We will conduct our business activities in line with the basic principle of giving priority to health and safety, thereby contributing to the creation of a safe and comfortable society.

Early in 2018, before the launch of the Company, the Toyama Technology & Manufacturing Center had a lost-time work accident. In response, we reviewed our safety measures and enhanced the related systems based on the basic policies as shown above.

We have also set the 10 safety rules for Group companies in Japan and the special five safety rules to be obeyed in our high-risk work areas. We encourage individual employees to comply with these rules and maintain self-discipline, thereby nurturing a culture of safety and ensuring workplace safety.

KOKUSAI ELECTRIC Group 10 safety rules



- including:
- Tidy up yourself.
  - Comply with the in-house traffic rules.
  - Watch your step and head while walking and performing operations.
  - Obey the safety rules set for each task and area.
  - Caution or warn each other as necessary to stop any unsafe behaviors and noncompliance with the rules.

## Rate of Lost-Time Work Accidents

**Frequency rate of work accidents:** Frequency of lost-time work accidents/Total number of working hours x 1 million hours (The Company, but excluding corporate divisions for years 2014 to 2017)

2014 (Calendar year)	2015	2016	2017	2018
0.00	0.00	0.00	0.00	1.72

**Number of employees taking leave due to mental health problems:** Number of those who were absent for seven or more days per month (If the same employee takes leave several times a year, it will be counted as one) (The Company, but excluding corporate divisions for years 2014 to 2017)

2014 (Calendar year)	2015	2016	2017	2018
3	2	2	4	6

**Number of occupational deaths** (by region/by gender)  
(The Group)

Calendar year		2014	2015	2016	2017	2018
Japan	Men	0	0	0	0	0
	Women	0	0	0	0	0
Asia (excluding Japan)	Men	0	0	0	0	0
	Women	0	0	0	0	0
Americas, Europe and others	Men	0	0	0	0	0
	Women	0	0	0	0	0
<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Anti-disaster Measures

The Toyama Technology & Manufacturing Center has its own fire brigade composed of about 90 members, who are divided into small groups by building (Building-Tateyama, Building-Yakushi, Building-Oyama, Building-Tsurugi, Building-Nishiyama and Warehouse-Okubo). Each of these groups has teams with clearly specified responsibilities, such as evacuation guidance, emergency reporting, firefighting, and first aid, and these teams conduct disaster control activities on a daily basis.

Based on the principle of “protecting our workplace by ourselves,” the teams conduct monthly drills (for basic emergency behaviors) and training to get accustomed to wearing an air respirator mask so that they can make prompt and appropriate responses in case of emergency. Moreover, they participate in study meetings held to ensure the safety of gases and chemical substances and in external training to learn about cardio pulmonary resuscitation and lifesaving. They are thus improving their skills both within and outside the Center.

The Center annually participates in the local fire brigade competition and won in both the “indoor fire hydrant” and “fire extinguisher” manipulation divisions at the 2018 competition. In the comprehensive evacuation drill held by the Center in October of the same year, the winning team members supported the training on such emergency behaviors.



Wearing an air respirator mask



Members participating in the local competition held in 2018

## Dialogue with the Union

The Company has concluded an agreement with the KOKUSAI ELECTRIC Labor Union, under which labor-management conferences are held regularly to discuss labor conditions and personnel systems. Through these conferences, labor and management work together to establish disciplinary rules for the workplace and maintain and improve the workplace environment. In the labor agreement, it is specified that the Company and union hold such labor management conferences regularly to facilitate two-way communication, ensure smooth business operations and growth, and improve the working conditions of employees. In this way, labor and management exchange constructive opinions regarding various issues such as management, policies and business operations, thereby establishing healthy and stable relations between workers and management.

## Work Style Reforms and Work-Life Balance

### Support for Balancing Work and Family Life

Recognizing the importance of achieving a good balance between “a sound and comfortable life” and “rewarding and fulfilling work,” the Company has been working to make work style reforms and to develop and enrich programs that help workers realize a good balance between work and family responsibilities such as child-rearing and nursing care.

### Systems for supporting child care and nursing care

	Childcare Support System		Nursing Care Support System	
	Available to female employees	Available to male employees		
<b>Pregnancy</b>	Leave for seeing a doctor Leave due to pregnancy-related disorders Reduced-hours work system for reducing commuting stress		<b>Nursing care leave</b>	Nursing care leave (1 year in total; can be taken intermittently.)
<b>Childbirth</b>	Maternity leave (8 weeks before and after childbirth)	Paternity leave (5 days in total)	<b>Return to work</b>	Reduced hours work Sick/injured child care leave
<b>Childcare leave</b>	Childcare leave (Up to a total of three years; available until the child finishes the first grade of elementary school)			Family care leave Annual nursing care leave Paid half-day leave
<b>Return to work</b>	Reduced hours work (The employee can optionally choose their work hours: 4, 5, 6, 6.5 or 7 hours a day until the child graduates from elementary school) Flextime system (until the child graduates from elementary school) Sick/injured child care leave, Family care leave Paid half-day leave (not limited) Leave to accompany spouse on overseas posting Allowance for Balancing Child Care and Work			Paid half-day leave

(Underlining indicates where the contents of a system or a system itself exceeds the legal obligations.)

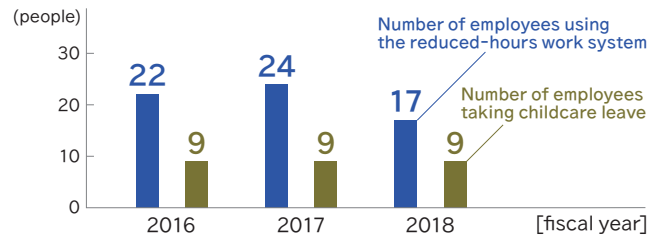
### Designation of No-Overtime Days and No-Working-on-Day-Off Days

As a joint labor-management initiative to reduce overtime work and promote no-overtime days, the Company encourages its employees to leave work on time on the second and fourth Wednesday of each month. It also encourages them to designate any of the weekdays in the first, third and fifth week of each month as their own “No-Overtime Day.” It has also extended the period during which employees can take a compensatory day off from a period of one month after working on a holiday to a period of two months after doing so in the following case: the employee has taken an international business trip during a Japanese vacation period (Golden Week/summer/New Year holidays). We have thereby made it easier for employees to take compensatory days off.

## “Allowance for Balancing Child Care and Work” Program

As part of efforts to create an environment where employees rearing children can continue to make a full contribution at work, the Company introduced the “Allowance for Balancing Child Care and Work” program on April 1, 2017. This program provides employees who are raising a preschool-aged child or children, whether in a dual-income household or as a single parent, with financial assistance to cover child-rearing expenses, such as preschool fees and babysitting costs.

**Employees who took childcare leave and those who used the reduced-hours work system\*** (The Company, but excluding corporate divisions for fiscal 2016 and 2017)



\* Employees who used the reduced-hours work system: Those working shorter hours than normal in order to fulfill parental, nursing care or similar responsibilities

## Makeup of Personnel

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(The Company, as of March 31, 2019)

	Male	Female	Total
Number of employees at work	841	95	936
Number of managers and above	182	4	186
Number of senior managers and above	74	1	75
Number of executive officers	4	0	4
Average age	44.1	44.2	44.1
Average years of service	20.6	18.7	20.4
Number of employees leaving the company in the year	18	1	19

### Number of Labor Union Members

(The Group in Japan, as of May 1, 2019)

Name of labor union	Number of members
KOKOKUSAI ELECTRIC Labor Union	717
Kokusai Electric Semiconductor Service Labor Union	123
<b>Total number of members in Japan</b>	<b>840</b>

### Percentage of Personnel by Region

(The Group, based on the number of employees at work, as of March 31, 2019)

