Human Resources Management

Consistent with a management philosophy that emphasizes mutual trust, Wacoal manages employees' health and safety, trains personnel, and is receptive to diversity in human resources and values in each workplace, thereby deepening mutual trust with employees and developing workplace systems conducive to the creation of environments where the talents of individual employees can be fully realized.

Our Basic Approach to Human Resources

The Wacoal Group has built value chains that comprise proprietary networks, which span all stages from product planning and development through to material procurement, production, and sales. In these value chains, human resources are the Group's most important management resource. For this reason, we believe that creating an appealing corporate culture that is employee friendly and offers job satisfaction will lead to sustained growth.

A Human Resources Strategy Based on Diversity and Inclusion

Wacoal employs and recognizes the individual differences of a wide range of people, not just in terms of race, gender, age, or whether they have disabilities but also in terms of limitations on availability due to child-rearing or nursing-care commitments or lifestyle factors. With this in mind, we have positioned diversity and inclusion at the center of our human resources strategy with the aim of creating new value by leveraging the individuality of employees and enabling them to fully realize their talents. In accordance with this strategy, we are promoting human resources development, work-style reform, health and productivity management, and other initiatives.

Focus Areas of Our Initiatives

The Advancement of Work-Life Balance

Wacoal Corp. is developing workplace environments that enable employees to lead fulfilling lives and to make the best use of their skills. For example, as part of our initiatives to help employees meet work and child-rearing commitments, we are establishing programs and norms with a view to creating environments that are convenient and fulfilling to work in not only for employees with child-rearing commitments but also for coworkers who support them. Further, as a result of preparing an action plan based on Japan's Act on Advancement of Measures to Support Raising Next-Generation Children and taking measures to implement the plan, in 2018 we received Kurumin certification for the third time and Platinum Kurumin certification.



| | 2015/3 | 2016/3 | 2017/3 | 2018/3 | 2019/3 |
|--|--------|--------|--------|--------|--------|
| Number of employees giving birth | 109 | 119 | 120 | 131 | 130 |
| Number of employees taking child-rearing leave | 108 | 118 | 119 | 127 | 129 |
| Percentage of employees taking child-rearing leave | 99.1 | 99.2 | 99.2 | 96.9 | 99.2 |
| Percentage of employees returning to work after taking child-rearing leave | 91.7 | 88.1 | 89.1 | 89.8 | 100 |
| Number of employees resigning after returning to work from child-rearing leave | 21 | 16 | 17 | 8 | 0 |
| Percentage of male employees taking child-rearing leave | 28.0 | 27.6 | 46.3 | 52.2 | 29.4 |

The Empowerment of Women

Although women account for a high percentage of Wacoal Corp. employees, they are underrepresented in Wacoal Corp.'s management team. Therefore, we view empowering women and thereby reflecting a greater diversity of viewpoints in decision-making as an important management goal. To this end, we are cultivating workplace environments that are conducive to women utilizing their strengths and attributes to play professional roles of greater importance. We will continue supporting the career development of women by expanding and improving a variety of systems and training programs.

| | 2015/3 | 2016/3 | 2017/3 | 2018/3 | 2019/3 |
|--------------------------------|--------|--------|--------|--------|--------|
| Percentage of female employees | 85.3 | 85.8 | 86.3 | 86.2 | 86.3 |
| Percentage of female managers | 16.6 | 18.6 | 19.8 | 20.3 | 22.6 |

Human Resources Development

We believe that our development as a company is dependent upon efforts to enhance the qualifications of each employee. Based on this belief and with the aim of fostering personnel who can put our management philosophy into practice, we provide and conduct training programs that support the development of employees' careers and professional skills. We also assist in career and personal development through programs supporting employees' self-study.

In addition, we conduct human resources development based on the skills required in particular fields. For example, we provide training on maintaining and enhancing the quality of Wacoal products as well as programs aimed at promoting customer satisfaction by heightening employees' consultative capabilities. Other key initiatives include passing on our highly competitive manufacturing techniques and enhancing quality and productivity on a global basis by providing support and direction through technical experts dispatched from Japan to overseas factories.



A Sample of Our Human Resources Development Programs

| Program | Aim | Annual number of participants | Number of hours of training per person | |
|------------------------------|--|-------------------------------------|---|--------------|
| Rank-Based Training | The acquisition of the knowle needed as a result of a chang qualifications | 260 | 1-6 days* | |
| Terakoya College | The sharing of knowledge in- on of knowledge, the fosterin culture, and the development | 111 | 7.5 hours | |
| Global Talent Development | The development of globally competent personnel who have international communication skills (the ability to execute work, language skills, and the ability to work in and understand other cultures) | Overseas work training | 3 | 2-3 years |
| | | Overseas language training | 2 | 5 months |
| | | Global mind-set training | 41 | 3.0 hours |
| Self-Study | The utilization of e-learning programs as the primary means of implementing training and measures and | Self-study support program | 35 | - |
| | providing content that supports the autonomous development and enhance- ment of employee capabilities | Distance learning | 178 | - |

^{*} Differs according to employee rank



Work-Style and Leave-Style Reform

Aiming to enhance productivity and job satisfaction, Wacoal Corp. launched the Work-Style and Leave-Style Reform Project in April 2017. Under this project, we are establishing employee-friendly working conditions by introducing a telecommuting system, a leave system for self-improvement, and a system that helps families take leave at the same times. We plan to advance personnel management with a view to raising productivity, and we will continue to take initiatives to heighten job satisfaction.

| | 2015/3 | 2016/3 | 2017/3 | 2018/3 | 2019/3 |
|--|--------|--------|--------|--------|--------|
| Average number of hours of overtime worked | 6.0 | 6.0 | 6.2 | 5.8 | 5.7 |
| Total number of hours worked per month | 150.2 | 150.0 | 148.5 | 145.5 | 144.0 |
| Percentage of paid leave taken* | 80.2 | 79.2 | 82.2 | 87.0 | 83.0 |
| Percentage of employees taking more than 70% of their paid leave | 62.0 | 60.6 | 63.9 | 70.4 | 65.6 |

 $^{^\}star$ Number of days of paid leave taken by all employees \div Number of days of paid leave granted to all employees



Health and Productivity Management

Viewing the health of employees as an important asset for sustained growth, Wacoal Corp. is advancing strategies for health and productivity management through close collaboration with health insurance associations and labor unions. Covering the period through to 2020, the Wacoal GENKI Project 2020 (see Table below) establishes medium-term targets and action plans for countermeasures to lifestyle diseases, cancer, and mental health issues. Moreover, these initiatives have received external recognition. Wacoal Holdings Corp. has been selected and certified as a Health & Productivity Stock and a "White 500" enterprise with outstanding health and productivity management for four and three consecutive years, respectively. Further, subsidiary Wacoal Distribution Corp. has received the latter certification for two consecutive years.





Health & Productivity Stock Wacoal Holdings Corp.

Excellent Enterprise of Health & Productivity Management 2018 (White 500)
Wacoal Holdings Corp.
Wacoal Distribution Corp.

Table Wacoal GENKI Project 2020

| Macoal GENKI Project 2020 | | | | | | |
|---|-----------------|---------------------|---|---|---------------------|--|
| Summary | | Numerical target | 2015/3 (Before project's countermeasures) | | 2019/3 (Results) | |
| Lifestyle disease countermeasures Reduce the percentage of employees with lifestyle-disease- related conditions | | 25% reduction | 29.2% | • | 29.8% | |
| Cancer countermeasures Increase the percent- age of employees screened for five major cancers | Lung | | 96.1% | | 96.5% | |
| | Stomach | 100% | 79.3% | | 88.3% | |
| | Large intestine | | 90.5% | • | 94.4% | |
| | Breast | | 81.0% | | 79.4% | |
| | Uterus | | 65.0% | | 65.8% | |
| Increase the percentage of screened high-risk employees (those requiring secondary tests) | | 100% | 67.0% | | 79.4% | |
| Reduce the percentage of employees who smoke | | 15% or lower | 20.4% | | 17.6% | |
| Mental health issue countermeasures Reduce the number of employees absent long term due to mental health issues × the number of days absent | | 7,000 or lower | 9,555 | • | 15,868 | |

