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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

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 time.

Further, we are advancing personnel management with the aim of optimizing human resources quantitatively and qualitatively and increasing the productivity of each employee. Also, given the need to ensure the safety of employees and the social responsibility to

prevent infection inside and outside the Company during the COVID-19 pandemic, from March 2020 the Company introduced staggered commuting, encouraged online meetings, restricted business trips, extended eligibility for telecommuting to include all office workers, and promoted working from home. In addition, we established an environment that enables personnel to operate computer-aided design software from home and perform planning and development duties as they would normally.

With telecommuting as a premise, we will advance work-style reform and revamp our personnel evaluation system.

Purpose of Telecommuting and Eligible Employees

Before pandemic

Purpose: Promote work–life balance Eligible employees: Certain office workers (required application in advance and frequency per month restricted)

Number of eligible employees: Approximately 200 (number of applicants as of January 31, 2020)

Since pandemic

Purpose: Ensure safety, prevent infection inside and outside the Company, enhance productivity, promote work–life balance

Eligible employees: All office workers (frequency per month adjusted as required in light of pandemic status) Number of eligible employees: Approximately 2,010 (as of August 31, 2020)

(number of applicants as of January 31, 2020)

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.

In addition, measures in response to the COVID-19 pandemic—such as an increase in the number of employees eligible for telecommuting, the introduction of staggered commuting, and an easing of the conditions of the flextime system—will also help to enhance productivity and work—life balance.



Platinum Kurumin Certification received in 2018 Wacoal Corp.

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.

Percentage of female employees 89.5% (+0.3pt YoY)

managers 23.7% (+1.1pt YoY)

Percentage of female

(As of the end of March 2020)

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.

Introduction of the Wacoal Terakoya Personnel Development System With the aims of fostering autonomous, innovative personnel who can put its management philosophy into practice and creating a culture conducive to employees' growth as individuals, Wacoal Corp. introduced the Wacoal Terakoya personnel development system in April 2019. The new system helps employees take the initiative in building their careers and continue learning by offering a wider selection of training options beyond rank-based training as well as more opportunities to volunteer as a project participant. In addition to modifying our programs to increase the focus on productivity and practical training, we are conducting joint training with other companies to expose employees to diverse viewpoints. By fostering personnel who are able to create new value through the implementation of our management philosophy, we will sustain growth in a changing business environment.

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.

Highlights of Our Human Resources Development Programs

Program	Aim	Annual number of participants	Period/No. of hrs. of training per person	
Rank-Based Training	Helps employees understand t expected of them in new ranks employees an opportunity to c in the context of the Company	654	1-6 days*	
Business Skills	Enables employees to learn ti businesspeople through exclinside and outside the Compuniversal business skills usal the Company	86	7.5 hours	
Wacoal Academy	Shares in-house knowledge, and develops organizations t seminars conducted by in-ho instructors	259	7 hours	
Global Talent Development	Develops globally competent personnel who have international communication skills (the ability to execute duties, language skills, and the ability to work in and understand other cultures)	Overseas job training	6	2 years
		Overseas language training	2	5 months
		Global mindset training	10	3.5 hours
Self-Study	Utilizes e-learning programs as the primary means of implementing training and measures and providing content that supports the autonomous development and enhancement of employee capabilities	Self-study support program	50	-
		Distance learning	422	-

^{*} Differs according to employee rank

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 (TABLE A) establishes medium-term targets and action plans for countermeasures to lifestyle diseases, cancer, and mental health issues. Moreover, these initiatives have received external recognition.

Aiming to alleviate shoulder stiffness and back pain and to encourage employees to incorporate regular exercise into their daily routines, in January 2020 we renewed an in-house exercise program that employees participate in before commencing duties. With increasing numbers of people refraining from going outdoors or working from home, we periodically distribute information aimed at helping employees maintain and improve their health. Further, we strengthened smoking countermeasures by prohibiting smoking during working hours in April 2020 and by establishing measures that offer smokers free participation in a quit-smoking support program for two years.

TABLE A Wacoal GENKI Project 2020

Summary		Numerical target	2015/3 (Before project's countermeasures)		2020/3 (Results)
Lifestyle disease countermeasures Reduce the percentage of employees with lifestyle disease-related conditions		25% or lower	29.2%	•	27.2%
Cancer countermeasures Increase the percentage of employees screened for five major cancers	Lung	100%	96.1%	•	96.3%
	Stomach		79.3%		84.0%
	Large intestine		90.5%		95.4%
	Breast		81.0%		84.0%
	Uterus		65.0%		71.6%
Increase the percentage of screened high-risk employees (those requiring secondary tests)		100%	67.0%		79.7%
Reduce the percentage of employees who smoke		15% or lower	20.4%		14.7%
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	•	14,556



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