



Respect for Human Rights

Why SUMCO Addresses Human Rights

The SUMCO Group regards respect for basic human rights to be an important social responsibility. We pursue a number of initiatives to be a company that “values people” and respects the human rights of all people associated with the SUMCO Group.

Basic Approach

The SUMCO Group pledges in the SUMCO CSR Policy to maintain safe, healthy, comfortable and appropriate workplace for everybody working at SUMCO and to have a high regard for human rights, ability and personality, and aspires to realize fair and diverse ways of working. To this end, we strive to create a workplace where employees are motivated to work hard. Based on this policy, the SUMCO Group prohibits prejudicial treatment and workplace harassment based on race, religion, gender, age or for other illegitimate reasons and documents such rules in the SUMCO Code of Corporate Conduct and various regulations. In addition to the internal reporting hotline mentioned on page 13, we have also established harassment consultation services at each Company site.

SUMCO also has clearly stated policies thoroughly prohibiting child labor and forced labor which are strictly enforced, and we have also established mechanisms to ensure compliance with

statutory standards concerning working hours, holidays, wages and other such requirements.

Promotion Framework

The SUMCO Group annually convenes the Human Rights Awareness and Promotion Committee, a company-wide committee that includes Group companies, and engages in human rights awareness initiatives on a regular basis. The committee confirms the policies and details of human rights awareness initiatives for each fiscal year, while each plant or Group company implements activities in line with this policy. The activities include invitation of outside experts to give talks and awareness training using audiovisual materials.

Major Themes Covered in Human Rights Awareness Training

- Respect for diversity
- Human rights for the elderly
- Workplace harassment
- Sexual harassment
- Harassment related to pregnancy, childbirth, childcare or nursing care leave in the workplace
- Mental health issues in the workplace

Maintaining and Enhancing a Pleasant Working Environment

SUMCO regularly conducts human rights training including education on various forms of harassment for all employees, and makes every effort to improve awareness of these issues in the workplace.

In addition, based on the group analysis results of stress checks conducted annually, we formulate and implement action plans aimed at improving the working environment at each workplace.

Additionally, as a part of efforts to maintain and enhance a pleasant workplace environment, the SUMCO Group also conducts various in-house recreation activities and deepens exchanges between employees at each site to revitalize workplace communication.

Establishment of a Harassment Consultation Service

SUMCO has established a Harassment Consultation Service to serve as the point of contact for employees to consult about harassment-related issues. To ensure that employees can casually seek advice at any time, the service works on three principles: (1) protecting the privacy of employees seeking consultation; (2) prohibiting disadvantageous treatment of related persons; and (3) dealing with consultations in a fair manner. The consultation services are staffed by both male and female consultants, and information about the consultation service is posted to the corporate intranet on an ongoing basis to ensure the service is well known to employees. In 2018, the Harassment Consultation Service handled two consultation cases.

Labor-Management Relations

SUMCO’s basic labor-management policy is to maintain sound relations based on mutual understanding and trust, and to solve issues through discussion for the perpetual development of the Company and improvement of working conditions.

Specifically, with the aim of promoting communication (sharing information) and managing business operations under concerted efforts between labor and management, high-level labor-management meetings are generally held twice a year.

In addition, at production briefings and labor-management meetings held once a month at each plant, the plant managers and union representatives meet to exchange information and views concerning the production situation and other matters.

Meanwhile the Labor-Management Study Committee meets regularly throughout the year to discuss important labor-management issues such as the improvement of working conditions and review of various systems from multifaceted, holistic and long-term perspectives, thus allowing labor and management to work closely together to address various issues.

Human Resources Development

As declared in the SUMCO Vision, SUMCO aspires to become the “World’s Best in Technology.” To reach this goal, diversified training opportunities are provided to employees at all levels, from new recruits to managers and executives. We encourage employees to stay abreast of the changing times, making every effort to foster the development of human resources who will be able to think and act independently. Each year, up-and-coming engineers are also given the chance to present their research findings to senior management as a means of enhancing their motivation.

In pursuit of "Empower Employee Awareness of Profit," another element to the SUMCO Vision, the SUMCO CEO AWARD was established as the SUMCO Group's highest award, part of a measure to boost employee awareness of participation. The award is annually presented to individuals and organizations that have made meaningful contributions to enhancing corporate value. Along with this award, the Group also holds presentations by TPM teams annually in order to recognize outstanding success.

Moreover, to achieve "Competitiveness in Overseas Markets" as declared in the SUMCO Vision, we are working to cultivate an awareness of understanding and respecting a diverse range of cultures and values within the Group, and are endeavoring to develop globally competitive human resources by enhancing programs such as study abroad and foreign language learning schemes.



SUMCO CEO AWARD



Engineer Presentation Contest

Utilizing and Developing a Diverse Workforce

Employment of People with Disabilities

In 2004, SUMCO established SUMCO Support Corporation, and in May the same year, SUMCO Support was designated as a special subsidiary company by the government.

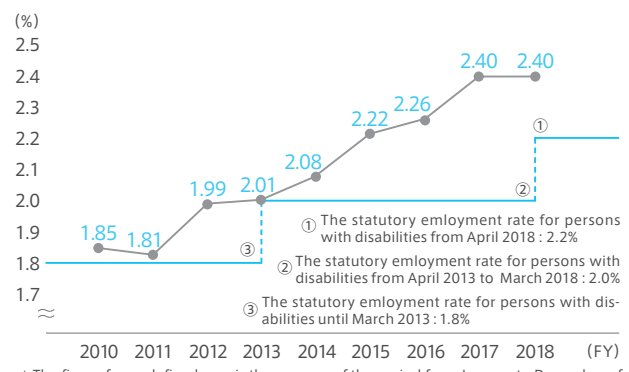
Ever since, people with disabilities have flourished in a wide range of business fields at SUMCO Support and at various other Group companies.

Moving forward, the SUMCO Group will continue its efforts to fit the right person to the right job in order to help individual employees reach their full potential, as well as to provide employment opportunities and maintain and improve supportive work environments for people with disabilities.

Employment of Older Workers

We have set up a re-employment system by which employees, if they are well-motivated and wish to continue working after mandatory retirement at age 60, can continue working until

Employment Ratio of People with Disabilities (SUMCO Group [Japan])



* The figure for each fiscal year is the average of the period from January to December of the following year.

age 65. This allows them to continue working while leveraging their extensive experience, sophisticated skills and high-level abilities.

Additionally, by maintaining the same compensation applied at the time of mandatory retirement even after a regular employee is re-employed, the system allows employees to contribute with a strong sense of motivation even after reaching mandatory retirement age.

Utilization of Global Talent

The SUMCO Group maintains manufacturing plants in the US, Taiwan and Indonesia, as well as sales offices around the world. By utilizing local hiring and actively working to hire talented global human resources regardless of nationality, the SUMCO Group seeks to achieve even further growth as a global company.

Number of Employees (full-time equivalents)

	Regular employees	Temporary employees
SUMCO	3,855	431
Consolidated	8,017	
	Japan	5,711
	Overseas	2,306

Number of Employees by Region (Consolidated)

Region	No. of employees
Japan	5,711
North America	601
Southeast Asia	340
East Asia	1,343
Europe	22
Total	8,017

Breakdown of Employees (Consolidated)

	Managers	General employees	Total
Male	768	6,538	7,306
Female	47	664	711
Total	815	7,202	8,017

Measures to Help Employees Balance Work and Child-care Responsibilities

To provide employees who are raising children with a more comfortable workplace environment and to help them balance work with child-rearing, SUMCO has established child-care leave periods that are longer than required by law, along with a diverse short working hour system. In 2016, the Company set up SUMCO Nursery School Imari as an in-house day-care facility at our Kyushu Plant in the Imari area, the largest site across the SUMCO Group. We also provide a day-care support allowance at

sites other than the Imari area.

Additionally, as a new form of regional contribution, the facility is also a community day-care service based on the Japanese government's Comprehensive Support System for Children and Childrearing. Accordingly, a portion of the capacity is made available to local residents who are not SUMCO employees.

Looking ahead, SUMCO will continue to pursue a variety of initiatives to put in place a workplace environment in which a diverse array of employees can excel while ensuring a harmonious relationship with the local community.

Voice 03



Chihiro Kuroki
Imari Crystal Engineering Section
Crystal Engineering Department

**Q1. How do you use the SUMCO Nursery School Imari?
How do you think the facility can be utilized to balance work and childcare responsibilities once returning to work?**

Since I currently utilize short working hour (9:00 a.m. to 4:00 p.m.), I make use of the facility from 8:30 a.m. to 4:30 p.m. on weekdays. For my household, since our parents homes are far away and there is no one nearby we can leave our child with, we have no choice but to use the nursery school in order to work while raising a child.

The facility is located about ten minutes from the workplace, which is helpful in dealing with issues such as being called over if my child suddenly comes down with a fever. Each of the classrooms also have cameras installed. As this lets me monitor my child's condition in real-time, I can enjoy greater peace of mind when leaving my child in their care. What's more, since I'm assured of a spot for my child, I haven't had to worry about hunting for a facility. I think the fact that I was basically in a position to resume work from the outset allowed me to spend pregnancy, childbirth and childcare leave with peace of mind.

Q2. Apart from SUMCO Nursery School Imari, have you been helped by any other systems such as childcare leave or workplace support?

When I experienced trouble during pregnancy, or when I have needed to take time off work at short notice when my child has fallen ill, my supervisor and colleagues have responded with flexibility, and I am extremely grateful for their support. Moreover, after finishing childcare leave, I was placed back into the same department and I was able to resume work without a lot having changed. Thanks to that, I was able to get used to my current lifestyle in short order. My application for short working hour was also accepted without hesitation and I have been given consideration in terms of assigned workload and other aspects. I think these have also made it a truly pleasant workplace.



Children of SUMCO Nursery School Imari