# Rebon 2

# After the Day of Change

Let's take action determined at each workplace



# Day of Change

# Discussions are held at each work place

With "Rebuild quality" and "Changing business practices" as the main themes, each workplace discusses issues for reform and the next action in earnest. It was a day to share issues and activities at each workplace with executive officers, and to decide on the next action with the cooperation of the workplace and top management. We will continue to improve the quality of our products and the value we deliver to society and customers.

#### Associates Awareness (From the questionnaire results)

\*Date: August 31, Respondents: 40,000

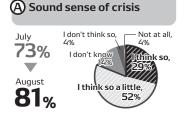
The responses of employees to the questionnaire this time were compared to the same survey conducted in July, and both individual and team attitudes and behavior changed. As for individuals, awareness of crisis and awareness of the parties concerned increased, and more associates felt that "We can grow at DENSO" "I am needed in the workplace" and their motivation are increased.

In addition, the understanding of the change was deepened, and the team discussed it with colleagues, and the number of associates who took concrete actions toward the change and who felt the change increased.

#### Actions for Change [Section / Team] Únderstanding be in one's move forward Change a little bit own hands [Individuals] A Sound sense of crisis **B** Strong sense of ownership Feel the Discussion with colleague Change Strong motivation ① Can you grow? 2 Is it needed? think through to pull something Specific together a problem actions

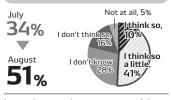
#### Survey Results (Changes from July to August)

#### [individual]



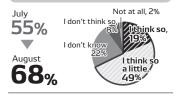
DENSO can't stay the way it is.

## B Strong sense of ownership



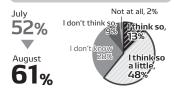
I can change the company with my actions.

# Strong motivation (Can you grow?)



I can grow at DENSO.

# Strong motivation (Is it needed?)



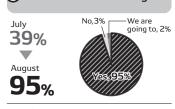
I am needed in the workplace.

#### [Awareness and behavior of sections and teams]

# July I don't think so, Not at all, 0% 1% 1 don't know, Not possible 9% 33% August 1 think so a little, 57%

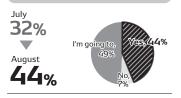
I understand Reborn 21.

#### E Discussion with colleague



We discussed at the workplace for change.

#### (F) Specific actions



I took actions toward change.

#### G Feel the change



I feel a change for change.

Responses from the managers indicated that they were already working toward change and that there were barriers to leadership.

#### Voice of manager's

#### Actions toward change

#### Encouraging superiors and the workplace

- Make it clear to work, change, and stop, and spread within the department
- Becoming the center of the whirlwind of change, encouraging the organization and workplace to resolve issues

#### Face one's people head-on

- Be prepared to face one's people's honest opinions
- Creating a successful experience and increasing the motivation of young people and Subordinates

#### Involvement of related departments

- Lead the initiative in proposal-based activities against other departments
- Break down organizational barriers to work across the company

#### Manager's themself change by taking the initiative

- · Make a decision by going back to the essence without surmising
- If it's good in general, do it right away without fear of risk.

#### Barriers that obstructs the movement of change

#### Amute atmosphere

- I have a stiff boss (keep making excuses)
- The gap between reality and what we want to be is too wide, so I think it's no use saying that.

#### have no time to face change

- It is difficult to secure enough time to discuss with each of my subordinates.
- Each employee has a different motivational switch, and it is difficult to improve the motivation of all associates.

#### Relationships of trust with related departments and companies

- It is difficult discuss honestly with other departments and customers The division of roles with other departments is unclear and
- · difficult to move.

#### Oneself

- Lack of ability and determination to grasp the situation in real time and make quick decisions
- · anxious about organizational reform

#### **Discussions among Executives and Executive Officers**

In order to carry out reforms at each workplace, create a wave of reforms throughout the company, and lead to improvements in quality and the value delivered to society and customers, it is necessary for DENSO to revitalize activities at the division level, which is each individual cell. Executives and executive officers discussed how to break down barriers that impede the leadership of the managers as a leader and promote reforms.

#### Coments of Executives and Executive Officers

#### President & CEO Mr.Arima

- It is really difficult to carry out reforms in the current business environment. It is an irreplaceable asset that everyone is working together to save time.
- The requirements for achieving change are the existence of a supervisors to support change, opportunities to discuss and express awareness of the issues, and the presence of self-motivated young leaders.
- To change their mindset, executives should be serious about communicating their thoughts. It's hard to tell, but you have to break through the wall knowing that there are so many of the associates who will support. I think the fact that the number of people who are willing to tell you the actual problems and reality is gradually increasing shows that the company is changing.

#### Executive Vice President Mr. Wakabayashi

• Supervisors have to assure that "change activities can come first" in the face of day-to-day and transformational tasks. It is important for your supervisors to decide on priorities and resolve.

#### Executive Vice President Mr. Usui

• To be honest, the situation is that "If you express the issue, you have to solve it your self". If you're asking them to take on a challenge, it's important to secure their resources and reassure them that "We can do it.".

#### Senior Executive Officer Mr.Fujitani

• It is necessary to understand the values of each employee in depth. I would like to do an aproach that appeals to the sense of values by being close to each other.

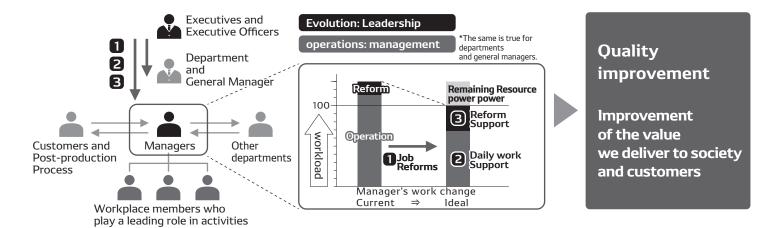
# Executive Officer Mr. lida

• It is important to communicate in a language that the other person can understand. Each person has different worries and needs to be told in a way that suits them. We need to support management in the language they use to communicate with the team and think about ways to communicate with them according to the workplace.

#### Executive Officer Mr. Hayashi

• Some managers don't know how to inspire young people. It is necessary to think together with the managers about the content of communication, how to communicate, and what values they have.

#### Future Actions to Revitalize each Workplace



#### Support for leadership of managers

#### 1 Job Reforms (Take a serious lead with determination)

- Decide to quit and create a transformation team with an ace
- Instead of spending too much time on short-term busyness, we put top priority on creating mechanisms to break the negative cycle. (Core-Cass Strategy, Digital H Adoption, rule process reform, etc.)

#### 2 Daily work Support (Workload reduction)

- · Optimal placement of PM, PGM, and veterans for load balancing
- · Don't ask or make useless reports.

#### **3** Reform Support (Supervisors and environmental improvement)

- Make the section chief decide and create growth opportunities
- Support change, tolerate failure, build small success experiences

#### Let's take an action together!

- Subordinates should have their own ideas and what they want to do. And I tell it to my boss and associates.
- Managers and above should listen to and understand the thoughts and desires of their subordinates. They
  communicate their thoughts and lead the team.

#### After the Day of Change ~ A Message from President & CEO Arima

I would like to thank everyone for working hard to change each workplace.
I have visited various workplaces during the three months since the start of Reborn 21, and have talked with executives, directors, middle managers, and young associates.
After talking with more than 1,000 associates, I can see signs of gradual change.
I would like to ask every one of associates to do three things to achieve Reborn and deliver the best quality and service to society and customers.



### Be committed and have the courage to take on challenges

First, clarify what you want to do. Dedicate yourself to delivering better value to society and customers and do work that has an impact. Think about what you should do for our planet, society, people's happiness, customers, and your colleagues. Open your heart and have the courage to take on challenges to contribute to others. We can make changes only if we are committed and not afraid to act. Let's enjoy making changes. We have excellent technologies and skills. Let's be a reliable group of professionals for internal and external stakeholders and be an inspiring company by further improving our technologies and skills.

## Be outward-looking

To take on challenges fearlessly, we must be outward-looking. The world is changing rapidly, and we will be left behind if we look inward. In our large organization, do you think and act while looking inward? Do you waste time laying the groundwork, ensuring coordination, preparing documents, providing false justification, and doing things for the sake of appearance internally? Do you avoid taking action and not make proposals in case you are held responsible for the results? There is no time to waste. Be altruistic, not egoistic. Think carefully about who you are working for. Think about society and customers. Be outward-looking. Don't care about internal evaluations. Place top priority on the benefit for society and customers. Amid the rapidly changing business environment, it is also important to objectively analyze our competitors and what they're doing, as well as our position in the market.

## I Take an interest in what your colleagues think and be communicative

We cannot contribute to society and customers alone. Achieve your goals with your colleagues. We must communicate to share our vision with colleagues. Some associates may struggle to convey their ideas to others, so to communicate better, take an interest in what your colleagues think, and respect and trust them. This will facilitate mutual understanding. To summarize, "respect others, trust each other, and work together to tackle challenges." I hope you will do this when working with supervisors, subordinates and colleagues, including in other departments. Communicate your ideas to share a vision.

# Subordinates should play a key role and should be supported by their supervisors



When talking with associates, they often said how difficult it is to carry out reform while doing their current work. Based on my experience, I fully understand how they feel. However, you will gain a tremendous sense of achievement after making changes. If you change, DENSO will change.

Think, take action, and tackle changes on your own initiative. Express your opinions with confidence and put your ideas into action even at the risk of discord. Subordinates should always play a key role and should be supported by their supervisors. I too will practice these three points in my capacity as president. Let's accomplish the goal of Reborn 21 together!