

Recruiting and Cultivating Diverse Human Resources to Win Out over the Global Competition

MATERIAL ISSUE 2

▶ The Use of Global Human Resources

Amid its efforts to accelerate globalization and revise its business model, MHI recognizes that diversity in human resources is core to its business activities. Accordingly, we are reinforcing diversity management, centering on recruiting and cultivating global human resources and providing opportunities for female employees.

▶ Development of Local Staff

Training and promoting staff who are hired locally is of the utmost importance to MHI's efforts to accelerate business globalization. Currently, we are working to create a human resource database and other systems with global applications. As part of training, we believe it is important to share information with local staff about MHI's management principles, the history of the MHI Group, and the types of businesses it operates. For

this reason, we have created and begun distributing to local staff around the world a succinct educational booklet called "Introduction to MHI Group." In fiscal 2015, we will establish an environment that allows staff to educate themselves as and when necessary from any location by expanding the English content of our e-learning website (3,000 subjects), which can also be used from overseas.

▶ Education to Strengthen Global Responsiveness

MHI is working to improve employee capabilities and enhance education with the aim of being a global corporation that is capable of responding to changes in a rapidly transforming market. Based on on-the-job training (OJT) in workplaces, we are implementing various educational programs starting immediately after hiring according to job level and function.

The main themes of education according to job level include leadership and management.

With the aim of strengthening our ability to respond to globalization, starting from fiscal 2011 we established new systems, including MHI Global Training (MGT). In fiscal 2014, 14 employees were dispatched overseas for this training.

▶ Promoting an Active Participation of Women

In order to further accelerate the Company's global expansion and to make the leap to becoming a highly profitable enterprise with a business scale of ¥5 trillion, MHI is promoting the active participation of women in the workplace in conjunction with MHI's pursuit of diversity management. In July 2014, MHI set a target to increase the number of the Company's female managers (in positions of section manager and higher) threefold from the current level by 2020.

With regard to promoting the active participation of women, MHI is undertaking efforts centered on expanding various support systems that provide an environment for balancing work and childcare. These programs take into account needs during such times as pregnancy, childbirth, child-rearing, and family

care. Our systems for childcare leave and family-care leave, as well as our system of shortened work hours for employees raising children and employees providing family care, all exceed statutory minimums. We have also introduced a unique child-planning leave system, which can be used for fertility treatment.

Our next phase of activity will address four themes: increasing the number of female employees, providing career support during periods of child-rearing or family care, the steady cultivation of female managers, and fostering the corporate culture. We will consider flexible working styles that facilitate a quick return to work after childbirth and child-rearing and create a framework and an environment to further advance the careers of women.