Human Resources Development and Diversity Management



In order to accelerate globalization and to adapt to changing business models, it is crucial that we provide an environment that empowers diverse human resources to take active roles.

> Junichiro Kakihara Senior Vice President, in charge of HR

Nurturing Global and Regional Talent for Management Positions

The HR department diligently pursues to sustainably nurture global and regional talent for management positions at every level. The HR department offers a broad range of initiatives, thereby driving talent to meet the sustainable growth of MHI Group.

As part of our efforts to secure talent for global management, we will facilitate training programs for executive candidates in order to promote them to executive and executive positions. At the same time, by adhering to the element of diversity when appointing executives, we will realize a flexible and diverse global management structure that will contribute to the growth of MHI Group.

We are also promoting various efforts to secure regional talent for management positions. The Regional HR Development program targets outstanding middle managers recommended from Japan, United States, Europe, and Asia. In addition to acquiring management literacy, this program helps us revitalize MHI Group employees in each region and foster a sense of unity through inter-regional employee exchanges. Regional Management Human Resource Development Program that took place in Sydney, Australia



Orientation



Group discussion

Furthermore, the regional HR departments of Europe and United States address global and regional recruiting needs by embedding the recruitment process in intelligent cloud-based talent acquisition platforms. In Asia the regional HR department creates educational and learning programs that are relevant to regional needs and development of employees.

Through these measures, we aim to nurture talent based on local and regional needs and promote the utilization of a wider variety of human resources than in the past, thus leading to "Strengthening Global Management Structure."

Work Style Innovation

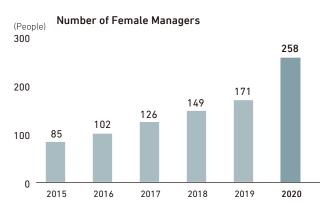
In order to promote diversity, MHI Group has enabled flexible working styles. By introducing a revised system of lesser working hours due to childcare and nursing care as well as work-from-home programs. According to the Work Style Innovation Act issued in April 2019, attention is on working styles while demands for more flexible working styles continue to increase. Thanks to the development of technology and use of ICT, flexible working environment is possible without constraints on time or location. Recognizing that MHI Group has a global presence with a diverse workforce, it has responded to the growing need of flexible working style. In August 2019 MHI Group revised the work style system as follows:

- Elimination of core time for workers using flextime
- Increase in the number of employees eligible for teleworking

We will continue to put in place an environment where diverse people can work effectively with a sense of autonomy and can leverage their abilities.

Promote the Active Role of Female Employees

In order to foster a corporate culture where female employees play an active role, MHI Group has expanded programs that exceed those mandated by law. For instance, childcare leave and work, fertility treatment (planning to have a child) leave, re-employment after career break, and various other support grants. Additionally, since 2014 we have been introducing new initiatives to improve female employees participation and career growth under the four themes of "increasing the number of female employees recruited in MHI Group," "supporting female employees career during childcare and nursing care," "development of female employees who are in managerial positions," and "nurturing of an open and diverse corporate culture." We have been working to develop a system and environment under the four themes to support flexible working styles to return to work from childbirth and child care. As a result, we were able to achieve the target set in fiscal 2014 for "By 2020, increase the number of female managers (Positions equivalent to or higher than section managers) to three times the current level."



^{*}Employees in positions of section manager or higher as of April 1 of each year. In principal, figures are for MHI and Mitsubishi Hitachi Power Systems, Ltd. (Company name was changed to Mitsubishi Power, Ltd. in September 2020)

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In April 2019, MHI Group appointed its first female executive officer. In doing so, endorsed the "Association of Male Leaders to Accelerate the Active Role of Shining Women," Declaration on Conduct, issued by the Gender Equality Bureau Cabinet Office.

Based on the Act on Promotion of Women's Participation and Advancement in the Workplace, companies that meet the standards for making exceptional contributions to the promotion of active roles for female employees are awarded the Minister of Health, Labor and Welfare's "Eruboshi" certification. In July 2020, MHI received "Three Stars," the highest "Eruboshi" rank, in all five evaluation categories: recruitment, continued employment, working hours, proportion of women in management positions, and diversity of career courses. Going forward, we will take further steps to enhance and promote female employees participation and advancement in the workplace as the current pillar of our diversity management strategy, aiming toward sustained growth as a global company.



Female Employees playing active roles!

Supporting Career Development of Female Employees

MHI Group develops and nurtures the career of female employees through senior colleagues that are females. For example, through roundtable discussions and lectures in various communities, we provide direct opportunities for female employees to express their opinion in an environment of respect and trust. We duly consider these opinions to identify barriers to career development and work to improve situations.

Workplace environment for the promotion of female employees is gradually improving, but there are yet various challenges to overcome.

We work to resolve these challenges one by one and we continue to take actions to support the career development of our female employees.

Employment of Persons with Disabilities

We aim to provide an inclusive workplace environment where differently abled persons can play active roles without anxiety. We have employed persons at various workplaces all over our group, and continue working to expand occupational fields such as document management and improvement of workplace environment.

Health and Safety

MHI Group embraces a basic policy for employee health and safety, which is founded on the following three commitments: (1) Safety is our number one priority. We will do everything possible to protect lives; (2) We devote every effort to safety by creating outstanding products that contribute to the development of society; and (3) Our physical and mental well-being is fundamental to everything we do at MHI Group. We must continue to elevate and embrace a culture of health and safety across our workplaces. Under this policy, we operate an occupational health and safety management system to create a safe and pleasant workplace. As part of our efforts related to occupational health and safety, the Central Production Committee, chaired by the Senior Vice President in charge of HR performs regular consultations and follow-up on progress regarding health and safety management plans. Every month, the health and safety committee at each work location, comprising of the Health and Safety General Manager, employees, and the labor unions, meet with the health and safety committees in each division. In addition, we consult with labor unions on a regular basis.

MHI Group also promotes health management, which oversees that employees have a sense of job satisfaction and that they are mentally and physically healthy. Based on the "Health Management Declaration" issued by the President, the Group implements an "MHI Group Health Management Model," which seeks to raise health literacy, including measures to prevent lifestyle diseases, measures to prevent second-hand smoking, and measures for mental health. We are also taking further efforts by formulating our "Fiscal Year 2020 MHI Group Action 5 Health and Happiness!!" health management plan, which contains specific actions to set three-year objectives for criteria including metabolic syndrome ratios, second-hand smoking ratios, and regular health checkup ratios.

MHI Group Health Management Model

