

MHI Group's HR Strategy: Launching the Future

MHI Group has sought to combine cutting-edge technology with many years of expertise to provide solutions to the evolving challenges facing the world while enriching people's lives. In accordance with this Group mission, we strive to create a safe, secure, and sustainable world with the goals to strengthen portfolio management, strengthen technologies and human capital, and promote MISSION NET ZERO in the 2024 Medium-Term Business Plan (MTBP).

To achieve these goals, we are required to have business strategies that embody value creation and

close coordination among HR strategies to maximize human capabilities more than ever. Furthermore, it is the heart of each one of us that launches the future. We can build strong momentum if each and every employee, including management leaders, pictures the future to be achieved, envisions it along with the future goal for MHI Group, and establishes an organization where we can collaborate.

At MHI Group, with management, business departments, and HR departments functioning as one, we will promote initiatives to launch the future that we envision, along with all of our Group employees.



MHI Group's HR Strategy: Launching the Future

Leadership

Development of Top Management Human Resources:

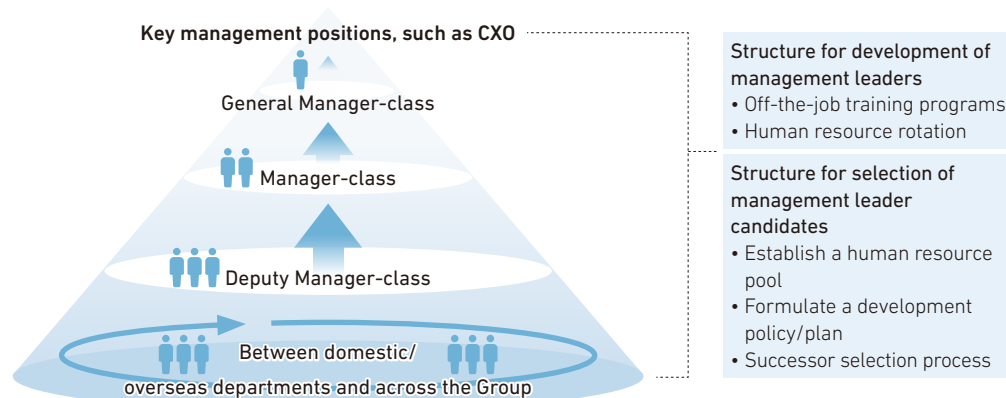
Developing Leaders Who Can Steer the Group's Future

Environments surrounding our businesses continuously change, including the shift to a decarbonized society, rapid development for digital transformation, and increased geopolitical risks. In light of such changes, the development of management leaders that can steer the overall Group is the most important theme for the entire Group. MHI Group will build a management structure that can cope with changes in any environment by establishing a system that continues to create management leaders on a global scale. We strive to introduce to society leaders who can respond to various global social issues, envision a new future, and pave the way to its achievement as a result.

Management Talent Pool

Our management talent pool is in principle formed through nominations from each division, but in some cases we also allow self-nomination. To foster talent pools, we hold human resource review meetings in each department to discuss personnel development policies from a long-term perspective. For candidates in these pools, we provide the necessary managerial experience by implementing assessments, creating individual development plans, assigning employees to broaden their experience, and having them participate in management leadership development programs. We also seek to strengthen their management literacy and foster a leadership mindset.

Development of Management Leaders to Shape Personnel, Businesses, and Society



Development Programs for Management Candidates

For those selected for the management talent pools, we run off-the-job programs in collaboration with business schools in Japan, the United States, the United Kingdom, and China. These programs are designed to cultivate management knowledge and skills and inspire leadership ambition. In FY2024, more than 150

participants took part in these programs. We also assign candidates to roles that expand their range of experience as executive leaders based on their individual development plans.

Among these, the "Inter-Regional Talent Management Program (IRTM)" targets leadership candidates from Group companies worldwide and is offered in partnership with the University of Oxford in the United Kingdom and Rice University in the United States. The program is designed around our philosophy and business direction and is structured into two tiers by management level.

- Program for senior managers: MHI Leadership Program (MLP)
(Program leader: Saïd Business School, University of Oxford)
- Program for middle managers: Regional Advanced Management Program (RAMP)
(Program leader: Rice Business, Rice University)

INTERVIEW

Interview with leaders of the MHI Leadership Program (MLP)

The Senior Leader Programme is a cornerstone of MHI Group's global talent strategy, developing leaders who can drive international growth and lead across cultures. Bringing together senior leaders from across Group companies, it expands global perspective, strengthens cultural competence, and enhances the ability to lead diverse teams.

The programme also fosters collaboration and knowledge exchange, aligning leaders behind MHI's growth and sustainability priorities. Through targeted learning in risk management, digital transformation, and leading in uncertainty, participants build the agility and vision needed to shape MHI's sustainable, forward-looking future.



Aileen Thomson
Client Director
Saïd Business School,
University of Oxford



Dr. Sally Bonneywell
Associate Fellow
Saïd Business School,
University of Oxford

MHI Group's HR Strategy: Launching the Future

Talent

Human Resource Acquisition/Development:

Bringing Together Future-Oriented Personnel

MHI Group promotes a wide range of businesses supporting current society and takes on challenges to create a future society in a multifaceted manner. This is precisely the reason we want to be a corporation that attracts people with the ambition and responsibility to proactively create and support society. We hope to support the challenges and growth of employees with such vision.

Strengthening Recruitment

Diversification of Hiring Channels

Across the Group, we are broadening our recruitment approaches to attract talent with diverse experiences and values. In 2023, we introduced our “Welcome Back” program to rehire former employees who had left the Group and gained experience outside before returning. In 2024, we launched referral hiring, a hiring scheme based on employee introductions.

Strengthening Internships

For science and engineering university and graduate students, we hold workplace-based internships twice a year, in summer and winter. Each session offers more than 400 diverse themes and attracts around 1,000 participants. By giving them hands-on experience, we provide participants with opportunities to discover the appeal and excitement of working within the Group while deepening their understanding of the organization.



An intern at work

Strengthening Skilled Worker Recruitment

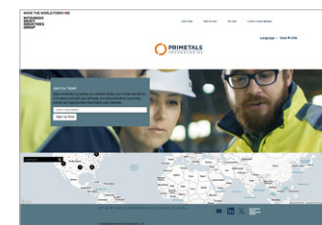
To secure skilled talent to underpin the Group's manufacturing, we are strengthening recruitment activities through school visits. We have also released dedicated brochures, videos, and a recruitment website for high school students to showcase the appeal of working in teams to create products.



Skilled worker recruitment brochure

Global Recruitment System

To strengthen talent acquisition, we have launched a dedicated website that consolidates recruitment information from across Group companies. Under a global framework coordinated between our bases in Europe and the United States, we have introduced a unified recruitment platform and are promoting hiring activities that leverage the strength of our Group brand. We are also promoting branding through social media and video content to broaden our reach beyond regional boundaries and attract talent with the necessary skills, thereby expanding our recruitment pool.



Global recruitment system website

Onboarding Program for Mid-Career Hires

For mid-career employees who join the Group, we hold an onboarding program called “MHI Linkup Session” to promote understanding of the Group and help them quickly adapt to their workplace. We also host tours of the Mitsubishi Minatomirai Industrial Museum and hands-on workshops. These enable participants to experience the Group's history and the breadth of its businesses and products while also reaffirming the significance of their own roles and work. It also gives employees an opportunity to build horizontal connections across departments.



MHI Linkup Session workshop

MHI Group's HR Strategy: Launching the Future

Talent

Human Resource Acquisition/Development:

Bringing Together Future-Oriented Personnel

Human Resource Development

Talent Development Guidelines

We view the growth of individual employees as the source of the Group's sustainable development. Based on the three values of Ownership, Collaboration, and Challenge, we develop human resources in a planned and continuous manner from a medium- to long-term perspective. We will also support the advancement of each employee's abilities and career development, fostering an environment where everyone can learn and grow.



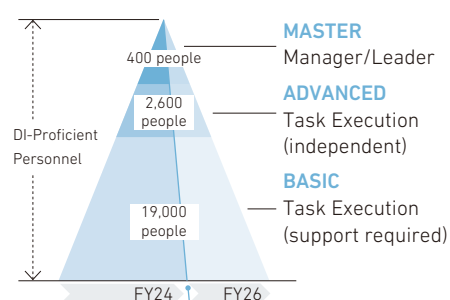
Values Cherished by MHI Group

Seeking to realize the mission of MHI Group, we share three values to guide the actions of every Group member.

Digital Innovation Education

We have set "Transform society through AI and digitalization" as one of our Material Issues and are working across the Group to foster talent that drives digital innovation (DI). Aiming to develop more than 20,000 DI-proficient personnel, we have established training programs based on a standardized skill framework. At our in-house training center, we offer around 240 courses—including on AI and IoT business applications—holding more than 500 sessions annually. We have also introduced external training programs, offering around 2,000 courses ranging from introductory to practical levels to all employees. This provides an environment where both technical and administrative staff can learn at their own level. In addition, we provide digital literacy education for all Group employees to strengthen the fundamental capabilities needed to drive business and organizational transformation. At the same time, we are expanding programs tailored to business needs to foster value creation and sustained growth through DI.

Developing DI-Proficient Personnel



60%

Target for DI-proficient personnel development: 22,000 people
• DI-proficient personnel at each level: develop a total of 14,000 people

System to Support New Challenges for Employees

We have integrated cross-border learning into our education system to encourage employees to step outside their own organization, rediscover their own and the Group's strengths, gain a broader perspective through collaboration, and develop the ability to take initiative and think independently to overcome the status quo. We also support employees' autonomy and willingness to embrace new challenges by offering a variety of opportunities. These include "Cross-Border Challenge," which involves temporary assignments to venture companies or other internal departments, and "MHI Global Training (MGT)," which provides training at overseas sites.

INTERVIEW

Interview with Cross-Border Program participant

For six months, I worked at a venture company engaged in planning, developing, and operating cross-reality (XR) services, where I gained experience in launching new services, planning, and project management. Through this challenge, I developed the ability to create from scratch and to think abstractly, which helped me gain confidence and grow. I came to appreciate the differences in values and work styles across organizations, and I hope to apply these insights to provide a positive influence on those around me.

Takashi Suzuki

Equipment Engineering Department,
GX Solutions
(Seconded to venture company)



Interview with MGT participant

For six months, I worked in the HR department at our U.K. base, where I was involved in recruitment and related activities. This training was my first overseas assignment, and it enabled me to understand work styles and ways of thinking in a completely different cultural environment, greatly broadening my perspective. The communication skills, language ability, and personal connections I gained by participating in MGT continue to benefit my work today.

Asahi Yatsuyanagi

Aircraft & Missile Systems Division,
Defense & Space
(Seconded to Mitsubishi Heavy Industries
EME, Ltd.)



MHI Group's HR Strategy: Launching the Future

Organization

Strengthening Organizational Capabilities:

Building Organizations That Can Adapt to Change

Delivering unwavering, reliable manufacturing remains a core mission of the Group despite ongoing changes in our business environment. We are committed to building a solid business foundation for the future by developing people with true manufacturing excellence who combine skills and knowledge with the wisdom to apply them.

Strengthening and Passing on Our Manufacturing Expertise

• Skills education/training centers

To develop manufacturing talent with solid skills and knowledge, together with the wisdom to apply them, we provide one-year foundational training for newly assigned employees at three skills training centers in Japan. For mid-level employees, we offer Core Skills Training. This program aims to broaden their knowledge and perspective to address advancements in manufacturing technologies, while also cultivating the leadership needed to lead on the front lines.



Training at a skills training center

• World Skills Competition

To raise motivation among young workers to improve their technical expertise and raise overall skill levels, we actively support their participation in the World Skills Competition. At the 62nd National Skills Competition held in FY2024, we won gold medals in the Welding and Construction Steel Work categories.



World Skills Competition training

HR Data-Driven Management

We operate a global HR database covering more than 170 Group companies in Japan and overseas. In Japan, we have also unified our core HR systems and developed dashboards that organize the data underpinning decision-making. By visualizing and analyzing HR data, we are enhancing the accuracy of our strategies and improving the speed of execution.

Engagement

Improving Employee Engagement:

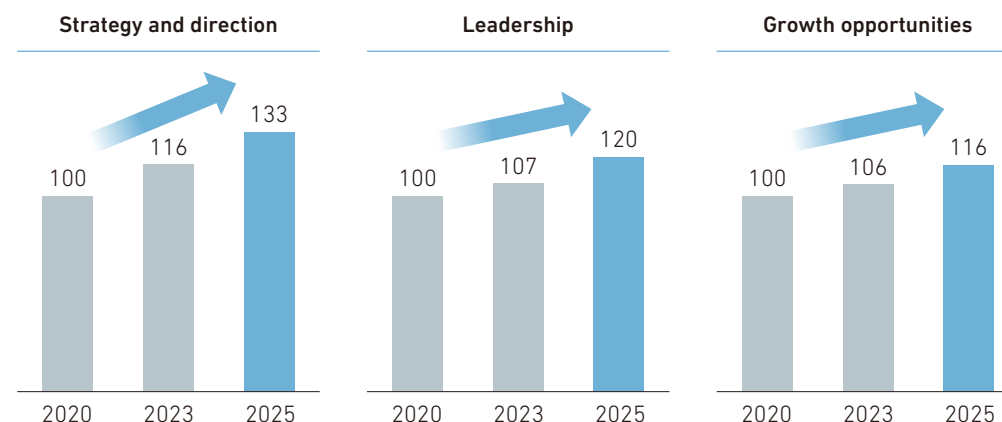
Creating Environments for the Future

To create future social value, it is essential that each employee feels a sense of purpose in their work that fosters intrinsic motivation. As a prerequisite, employees need to work with peace of mind in a safe and healthy environment. In this context, we continue providing workplace conditions that balance fulfillment with ease of work.

Engagement Score

Since FY2017, the Group has conducted regular employee surveys covering all employees to monitor engagement levels and the overall work environment on an ongoing basis. Based on past survey results, we identified Strategy and direction, Leadership, and Growth opportunities as priority issues and have been working to make improvements in these areas. We have rolled out a range of initiatives, including town hall meetings led by the President, business briefings by senior management, and an expanded internal job posting system that encourages employees to build their careers autonomously. In the most recent survey conducted in 2025, overall engagement scores rose, with notable improvements in the three aforementioned priority areas. We will continue conducting regular surveys and pursuing further improvements going forward.

Results of Initiatives to Address Group-Wide Priority Issues



Note: Average scores of multiple questions related to each item were indexed using the 2020 survey result as 100.

MHI Group's HR Strategy: Launching the Future

Engagement

Improving Employee Engagement:

Creating Environments for the Future

Health and Safety

Under our fundamental policy of upholding a spirit of respect for human life and giving top priority to safety and health, we have established the "MHI Group Safety and Health Policy," which represents a code of conduct employees are expected to follow. To make clear that safety is the top priority, we have specified that all employees are vested with Stop Work Authority (SWA*). On the health front, under the President's health declaration, we formulated the Well-being Strategy Map and Wellness Action 24-26, which are being rolled out across the Group. Since FY2023, we have been certified as a Health and Productivity Management Outstanding Organization for three consecutive years.

* SWA: The authority to stop work and demand corrective action upon identifying unsafe behavior or equipment, regardless of one's position or department

Workplaces Where Everyone Can Work Comfortably

We have around 80,000 employees from diverse backgrounds, nationalities, and cultures working across the Group. Therefore, a corporate culture in which everyone is respected is an essential prerequisite for all initiatives. With this in mind, we have established childcare and nursing care support systems to ensure that all employees can continue their careers regardless of gender, while also developing guidelines on LGBTQ issues and expanding job opportunities for people with disabilities.

INTERVIEW

Interview with foreign national employee of MHI Group

After graduating from a university in Thailand, I came to Japan and joined Mitsubishi Heavy Industries Compressor (MCO) as a new graduate. At first, I faced major challenges, not only as it was my first job but also because working in Japanese presented a significant barrier. Fortunately, MCO's global environment and supportive colleagues made a significant difference. Everyone was genuinely willing to communicate in English, and their encouragement helped me through this difficult transition. The company also offers ongoing weekly Japanese lessons, which have greatly boosted my language skills and confidence. Another aspect I truly value is the company's commitment to a work-life balance, which enables employees to maintain a healthy personal life while remaining productive. Looking ahead, my goal is to continuously contribute to MCO and help ensure that we maintain our status as a valuable partner for our customers.

Phanthitra Phornwisetsirikun
Engineering and Design Division,
Mitsubishi Heavy Industries Compressor Corporation



Practicing "HR Innovation 2030" in MHI Group

Mitsubishi Heavy Industries Machinery Systems

We are pursuing unique initiatives as part of our forward-looking HR strategy. For mid-level employees, particularly those in their 30s, we provide workshops and consulting sessions led by in-house career consultants to support deeper self-understanding and help clarify desired career paths and goals. We also encourage veteran employees to consolidate their experience and skills and supervisors to clarify the roles and expectations they assign, thereby connecting both parties to promote the active participation of veteran employees. For managers, we hold seminars to strengthen their listening skills and thus enhance overall management capabilities. We also provide expertise and services related to human resource management tailored to the needs of each department, supporting the smooth operation of departments.

We will continue advancing HR strategies that support each employee's growth and challenges, building the future of MHI Group under the concept of "HR Innovation 2030."



Hiroto Nakamura
Director, Senior Managing
Executive Officer
Mitsubishi Heavy
Industries Machinery
Systems, Ltd.

Primetals Technologies

As part of the HR Innovation 2030 initiative to enhance employee engagement, our company participated in the MHI Employee survey. The results exceeded the benchmark global norms provided by the consulting firm, however, they also identifying three key areas for improvement: "Collaboration," "Training," and "Development Opportunities."

To address these areas for improvement, we will progress our corporate culture "Ways of Working (WOW) Program" by training additional WOW facilitators. This will enable us to further embed the program and in particular foster a stronger culture of collaboration. To help employees independently develop their careers, we have launched our internal "Talent Hub" platform so they can record their skills, experiences, and career goals. In the future, we will add further functionality that will enable employees to analyze the gaps between their current and future required skills and build a development plan to close the gap. Through Talent Hub, our goal is to make development opportunities more tangible and transparent to develop a stronger learning culture that promotes employee development and improves business performance.



Richard Barcoe
Primetals Technologies,
Limited
Head of Human
Resources