

Message from the General Manager of Human Resources & General Administration Division



We strive to be a company with a diverse workforce, where individual employees can fully demonstrate their abilities with rewarding jobs in worker-friendly environments.

Naohiko Tamiya

Vice President and Executive Officer,
General Manager of Human Resources & General Administration Division

Rigorous pursuit of diversity-oriented management

A company's business growth is tied directly to its human resource strategy. The wellspring of business growth lies in people—and no matter which era or sector, this will never change. The corporate vision of the Hitachi Metals Group's Fiscal Year 2021 Medium-Term Management Plan is "Building People, Building Innovation, Building the Future." We will rigorously pursue diversity-oriented management as our human resource strategy to underpin this vision. With our "Only 1, No. 1" products, we have made positive contributions to customers and society. To continue generating innovation, we aim to be a company with a diverse workforce, where individual employees can fully demonstrate their abilities with rewarding jobs in worker-friendly environments.

Attract diverse human resources with diverse values

The Hitachi Metals Group will strive continuously to attract diverse human resources in terms of gender, nationality, age, and the like, including new graduates and mid-career hires. When fostering human resources, we will focus on independence and work to implement effective human resource development that is suitable for their individual characteristics. This is embodied in our Corporate Philosophy: *Wa sureba tsuyoshi*, which portrays our endeavor to work as one while improving ourselves individually in order to create the best possible company.

Effective fiscal 2019, we have shifted our company's structure to two business divisions. We will also promote the dynamic utilization, development, and allocation of human resources from a whole-company perspective

that transcends lines between business divisions. We aim to provide employees with varying opportunities that do not impede individual potential, while deploying the various skills and knowledge of each person across business divisions to generate new innovations.

For employee engagement, we conduct an annual employee awareness survey called Hitachi Insights. Based on survey results, we identify and implement necessary measures to take, such as workplace communication improvements, and use the plan, do, check, and act (PDCA) cycle to increase employee engagement.

Rewarding work

In addition to good work content and clear workplace instructions, motivating individual employees requires proper communication between superiors and subordinates. We strive to improve communication by conducting regular interviews between superiors and subordinates based on our belief that serious and deep discussions will lead to job satisfaction. These discussions cover such matters as career choice suited to individual aptitude, employee satisfaction related to treatment and evaluation, and proper sharing of company management information.

With regard to workstyle reforms, we have made tangible progress in reducing working hours thanks to top-down initiatives over a three-year period from fiscal 2016. For true workstyle reforms, however, individual independence is a key. Going forward, we will encourage individual employees to take the initiative in enhancing work efficiency and superiors to embrace a deep commitment to improving the business. This will lead to increased productivity, which is our original purpose.

Enabling individual employees to fully demonstrate their abilities in worker-friendly environments

Under our Corporate Creed, we aspire to be the "best enterprise." This means being the best company not only for customers and society, but for employees as well. Under our management policy of "Safety always comes first," we are working to create safe and healthy environments where employees can work with peace of mind every day. Moreover, good workplaces with health and safety lead to better productivity. In our Fiscal Year 2021 Medium-Term Management Plan, therefore, we will plan to make specific safety-related investments every year and also emphasize health-oriented management.

By having diverse human resources perform rewarding jobs in worker-friendly environments, we hope to be a company in which individual employees can achieve future self-fulfillment, one step at a time, and fully demonstrate their capabilities.

Fostering management personnel

To achieve sustainable corporate growth, it is very important to adopt long-term perspectives in line with our Corporate Creed, and foster management personnel accordingly.

The Hitachi Metals Group embraces the concept of diversity-oriented management when selecting and developing management personnel. Once a year, we select and make a list of future executive candidates. We share this with the Board of Directors for discussion about ways to develop those candidates. To ensure diversity, we endeavor to include women and foreigners in our candidate lists.

Some candidates are subject to a training program for manager-level personnel. Others are sent to external training programs and given tough assignments in overseas locations and differing fields. In these ways, we strive to develop competent management personnel.

By fostering diverse management personnel with wide-ranging experiences, the Hitachi Metals Group aims to realize its "best enterprise" aspiration and achieve sustainable development.

* For more details, see page 52 for diversity-oriented management and page 54 for safety and health.

Human resources: Strategic KPIs

	Initiatives	KPI	FY2018 result	FY2021 plan (target)
1	Employee engagement (Hitachi Insights)	Engagement index*1	59%	62%
2		Overall positive response rate (non-consolidated)	57%	60%
3	Diversity-oriented management	Diversity recruitment ratio*2	56%	50%
4		Ratio of women in management positions*3	1.5% (19 people)	2.0% (26 people)
5		Ratio of women in career-track positions (non-consolidated; full-time)	4.7% (99 people)	5.6% (138 people)
6	Workstyle reforms	Total annual working hours*4	2,049 hours	14 days (average annual leave to be taken)
7	Safe and healthy workplaces	Occupational accident frequency*5	0.42	0

*1 Number of positive engagement indicators in the Hitachi Insights survey (non-consolidated)

*2 Percentage of foreign nationals, women, and mid-career hires in planning divisions' hires (non-consolidated)

*3 Percentage of women in managers and professionals (non-consolidated; currently working as manager or professional)

*4 Average annual working hours of back-office workers (non-consolidated; including managers and professionals)

*5 Occupational accident frequency = Number of casualties due to occupational accidents ÷ Total actual working hours × 1,000,000 (calendar year)