

# Promotion of Diverse Human Resources

Under the Fiscal Year 2021 Medium-Term Management Plan, with a vision of “building people, building innovation, building the future,” the Hitachi Metals Group positions the thorough pursuit of diversity management as its important management strategy and is working on various measures to realize our Corporate Creed of “contributing to society by being the best enterprise.”



## Human Resources as the Source of Competitiveness

The Hitachi Metals Group, which is moving ahead with global business expansion, recognizes human resources as the source of competitiveness. Based on this recognition, we will realize our Corporate Philosophy of “*Wa sureba tsuyoshi*”<sup>\*</sup> by becoming a company where diverse human resources gather, test their opinions against each other, and work with enthusiasm and pride.

We have established three themes for our human

resources strategy, “securing diverse human resources with diverse values,” “job satisfaction,” and “a comfortable work environment,” while setting four KPIs, “stimulating employees,” “promoting diversity management,” “promoting workstyle reform,” and “realizing safe and healthy workplaces.”

<sup>\*</sup> Under our corporate philosophy of “*Wa sureba tsuyoshi*,” our Group is One Force for Change.

## Human Resources Development Programs

Our communications symbol, “Materials Mag!c,” incorporates the determination of each and every employee to be a key driver of growth. The Hitachi Metals Group is striving to enhance and strengthen its human resource development

programs linking OJT and OFF-JT, so that employees can develop their expertise enabling them to actively seek out challenges and take actions to achieve success or solve problems, and to become shining examples for the Company.

## Nurturing the next generation of human resources

We identify at an early stage the human resources who will take responsibility for management in the next generation and enhance training programs for them. We complete cross-

divisional personnel rotations and tough assignments, as well as training such as OFF-JT including external training.

## Global recruitment and development of human resources

As our business rapidly globalizes, we are accelerating efforts at global regional headquarters in Europe, the U.S., China, and the rest of Asia, to employ and cultivate human resources who will be future executive candidates. We are also pushing ahead with the early cultivation of future executive candidates who

can play active roles globally, through overseas business training and global training for employees in Japan, active hiring of foreign nationals, including international students, and promotion of locally-hired staff at Group companies outside Japan into positions of responsibility.

## Promoting Diversity Management

In order to create a corporate culture based on diversity, it is vital to cultivate a structure and environment in which all human resources can broaden their potential and play active roles. We are working to strengthen our human resource base by securing diverse employees, assigning them strategically, and encouraging their active participation. We have also established the Hitachi Metals Group Diversity Promotion Council, headed by the President, in order to promote diversity

management by sharing policies and issues related to activities throughout the Group.

Furthermore, we have appointed one female Outside Director, and regularly receive her advice on diversity. In particular, we are making efforts to promote the participation and advancement of women in the workplace, based on the following policies.

## Policy on Promoting the Participation and Advancement of Women in the Workplace

### 1. Ratio of women among newly hired graduates (career-track positions)

Achieved targets Technical positions: 10% or more  
Administrative positions: 40% or more

### 2. Support for retention

- Career support to eliminate concerns
- Awareness-raising for those in management-level positions
- Support for balancing work with housework and childcare, including Hitachi Group training
- Promotion of diverse work styles through workstyle reform

### 3. Promotion measures

- Achieved the target ratio for women in management-level positions: 1.2% in fiscal 2017, 1.5% in fiscal 2018
- Carried out individual development plans and training for selected employees

### Main initiatives

- Survey of actual conditions for women in career-track positions (hearing)
- Held a networking event for women in career-track positions (Hitachi Metals Women’s Forum)
- Diversity training for officers (lectures)
- Survey and analysis of participation by women in the Hitachi Group
- Dispatched employees to various external training and seminars, including Hitachi Group career training and seminars for support before maternity leave and upon returning to work
- Held seminars for those in management-level positions who have female subordinates
- Introduced examples of initiatives in company newsletter

Furthermore, we support exchanges among our diverse employees and the realization of diverse careers through human resource exchanges both inside and outside of the Hitachi Group and the proactive hiring of experienced personnel, in addition to the utilization of the “My Challenge” internal free agent system, which allows employees who have a desire to expand their potential to transfer across divisions or job categories, and the introduction of leave to allow employees to accompany spouses on overseas assignments.

## Selected for the MSCI Japan Empowering Women Index (WIN)

Since July 2017, the Company has been included as a component stock on an ESG investment index, the “MSCI Japan Empowering Women Index (WIN)”<sup>\*</sup>, which we consider

to be a high evaluation of our gender diversity.

<sup>\*</sup>An index comprising companies from various industries selected for attaining high scores on gender diversity.

## “Workstyle Reform”

The Hitachi Metals Group believes that it is indispensable to create an environment where diverse employees can pursue highly productive work styles and approaches to their jobs, while sharing different values and ideas, and realizing a sense of fulfillment and personal growth in their work. In order to accomplish this, in fiscal 2016, we launched a “workstyle

reform” project. Positioning the first year, fiscal 2016, as the “awareness-raising” phase, followed by fiscal 2017 as the “implementation” phase, and fiscal 2018 as the “instilling” phase, we carried out activities to accomplish our set target of reducing the total annual actual working hours to less than 2,000 by fiscal 2018.

## “Workstyle Reform” Efforts in Fiscal 2018

In fiscal 2018, the “instilling” phase, we made efforts to improve operational efficiency and promote and establish work with no restrictions on time or location by pursuing ICT measures, and implemented activities aimed at realizing substantial workstyle reform so that all employees can have real job satisfaction and feel truly comfortable at work. In fiscal 2018, total annual actual working hours were 2,049, which unfortunately fell short of our target. However, total working hours decreased significantly compared to fiscal 2016, and highly productive work styles are being instilled through workstyle reform.

### Outline of Fiscal 2018 “Workstyle Reform” Activities

- Improved operational efficiency  
Enhanced ICT infrastructure such as file sharing systems and communications tools
- Promoted and established work styles with no restrictions on time or location  
Put in place measures and established an environment to realize highly productive work styles by relaxing restrictions on work hours and locations
- Changed approach to taking vacation  
Considered standardizing days off at headquarters and production factories, and standardized days off at most business offices starting in fiscal 2019
- Collaboration between business offices and Group companies  
Shared information related to operational improvements such as using RPA and shifting to paperless operations

### Composition of Employees (Non-consolidated)

	FY2014	FY2015	FY2016	FY2017	FY2018
Number of employees	6,306	5,966	5,858	6,315	7,067
Male	5,660	5,339	5,241	5,654	6,277
Female	646	627	617	661	790
Ratio of female employees	10.2	10.5	10.5	10.5	11.1
Average age (years)	43.0	43.5	43.9	43.6	43.2
Average service (years)	20.0	20.6	21.0	21.0	18.4
Number of female managers	10	11	12	16	19
Employment ratio of people with disabilities*	2.24	2.34	2.40	2.31	2.21

\*Including special subsidiaries