

## Initiatives toward Human Resources that Support Business Evolution

WEB

Information regarding diversity initiatives is available on the Company's corporate website.  
<https://www.lf.mufg.jp/english/corporate/csr/actionplan.html>

### Expertise —Cultivation of Expert Human Resources—

#### Initiative

Establishment of a medium-to-long-term project to hire and cultivate expert human resources  
 Establishment of a system for evaluations

#### ■ Defining “The Qualities of Ideal Human Resources” and Career Paths

Under our New Medium-term Management Plan, we defined our desired corporate image in 10 years' time. To realize this image, it is important to foster growth in each and every employee, ensuring that they can develop expertise and then have the mindset to put that expertise to full use. To achieve our medium-to-long-term corporate image and bring about sustainable growth, we have defined “The Qualities of Ideal Human Resources,” a series of fundamental characteristics and values that we desire in all of our employees.

##### ■ “The Qualities of Ideal Human Resources”

###### ● A focus on customers

Builds relationships with domestic and overseas customers by leveraging knowledge of their issues and needs, adopting the premise of working with customers as partners

###### ● Professionalism

Possesses the professional self-awareness and sense of responsibility to increase their own expertise to better provide Mitsubishi UFJ Lease & Finance's unique value

###### ● Creation and change

Pursues new business creation and constant change to provide added value and improve productivity

###### ● Leadership

Shows strong leadership skills to complete their organization's mission by acting as a model employee and making responsible decisions

###### ● Human resource development

Creates a working environment that allows a variety of human resources to prosper while carrying out fair evaluations and training in order to support medium-and-long-term career development

In addition, we have created career path models that detail the necessary traits to move toward a variety of careers. These models help employees visualize their own career paths and serve as an aid in their pursuits.

#### ■ Hiring and Cultivating Expert Human Resources

As one of the “resources to raise competitiveness” highlighted in the New Medium-term Management Plan, we regard the ability to enhance and utilize our human resources as crucial to realizing our management strategy, and are committed to enhancing the quality and quantity of those human resources, who can add sophistication and globalize our business. To that end, we conduct consolidated personnel management to ensure that each and every employee across the entire Group is strategically assigned in a configuration that allows them to display their abilities and maximize their contributions to the Group's results.

As part of this endeavor, we have adopted a medium-to-long-term perspective toward our employees and are actively

recruiting external specialists to increase their expertise levels. To achieve this goal, we are making efforts to increase communication regarding career paths and have investigated different training methods, including systematic job rotation, centered on business divisions that comprise priority fields.

In addition, we introduced the Specialized Certification System in 2014 as part of our human resource policies to augment the knowledge of our employees and increase their desire to expand their expertise. In this system, human resources with outstanding skills in their respective fields are treated according to their professional level and are classified into three categories based on their work achievements and expertise: executive expert (equivalent to a general manager), senior expert (equivalent to a chief manager), and chief expert (equivalent to a manager).

#### ■ Training and Career Development Support Systems

To improve staff knowledge and skills, we implement a range of training specific to different staff grades, from junior to mid-level staff to management-level staff. To support career development, we operate a system for changing careers and career paths and an internal job-posting system through which employees can take on the challenge of working in their desired field.

##### New Hires:

Introductory training, long-term training to cultivate ability to execute duties, mentoring by senior staff members, etc.

##### Junior to Mid-Level Staff:

Business school for gaining expert knowledge in finance and leadership training, overseas program for improving business English proficiency, management-track career development program for women, etc.

##### Management-Level Staff:

Management training, diversity management training, etc.

##### Locally Hired Employees:

Management training, practical training, etc.



Management-track career development program for women

### Diversity —Diversity Promotion—

#### Initiative

Create a work climate that enables diverse human resources with varied backgrounds and careers to actively contribute

#### ■ Diversity Initiatives

We work to cultivate diverse human resources and do not discriminate on the basis of differences in personal traits, stages of life, experience, and values. Creating an organization where employees can perform to the best of their abilities is not only part of our management strategy, it is based on the idea that increasing diversity goes hand in hand with strengthening corporate competitiveness. To that end, the Diversity Promotion Office is moving forward with the creation of an organization that fully leverages the diversity of our human resources.

#### ■ Promoting the Active Participation of Women in the Workplace

Women represent over 40% of our workforce. As such, promoting their active participation is indispensable to growth. In order to construct an environment that encourages both the growth and participation of women as active employees, we are implementing a variety of policies aimed at expanding support systems for women taking on both work and childcare and for creating a workplace where women can display more of their expertise.

In addition to various types of training systems, the Company systematically cultivates and promotes female employees with ambition and ability via its career switch system and internal job-posting system. Our goal was to increase the proportion of female managers 5% above the fiscal 2015 level, to 10% or more by fiscal 2020. We achieved this target ahead of schedule, with 13.7% as of fiscal 2019.

##### ■ Career Development and Training

In addition to Companywide diversity and management-themed training of those in management-level positions, we are implementing various educational initiatives aimed at raising career awareness among, teaching leadership skills to, and creating networks for female employees.

##### ■ Receipt of “Eruboshi” Mark Certification

Mitsubishi UFJ Lease & Finance was awarded the second-level “Eruboshi” mark from the Ministry of Health, Labour and Welfare (MHLW) on February 9, 2018, recognizing the Company as implementing superior initiatives for promoting women's participation in the workplace after meeting all certification standards based on the Act on Promotion of Women's Participation and Advancement in the Workplace.



#### ■ Supporting a Balance between Working and Raising Children

We are executing a broad range of policies aimed at expanding support systems for women taking on both work and childcare. Specifically, we are pursuing support measures to ensure a smooth transition back to work for employees on

childcare leave. These measures include the distribution of tablets (iPads) with access to the Company intranet; career advice to support employees after they return to work and assistance with the mental transition; and “lunchcations,” or group lunches, with supervisors, employees returning from leave, or employees about to take leave, to exchange advice and spur communication.

In addition, we provide support for active career-building compatible with both work and child-rearing obligations. We have established a system that allows employees to select and change their work location based on their childcare and home circumstances. We also provide flexible work systems, including a telecommuting system and an hourly leave system. We have also founded a retirement and re-employment system for employees who are unable to work due to individual family circumstances. Moreover, we have set up an environment that allows these employees to put their abilities back on display again once conditions allow them to return to work.

##### ■ Acquisition of Platinum “Kurumin” Mark

The Company was awarded the Platinum “Kurumin” mark for companies providing high-level support for employees seeking to balance their work with raising small children by the MHLW on December 18, 2017, after meeting all certification standards based on the Act on Advancement of Measures to Support Raising Next-Generation Children.



#### ■ Support for Staff with Nursing Care Responsibilities

We have put in place systems to support nursing care.

##### ■ Major Support Systems

**Nursing Care Leave:** Total of one year, can be taken in three-part increments

**Nursing Care Days:** Up to five days

**Shortened Working Hours:** Total of three years separate from nursing care leave, can be taken in increments

**Change and/or Choose Work Location Program:** Can change or choose work location depending on the circumstances of nursing care provided

#### ■ Employing Differently Aabled Individuals

As one facet of our efforts to promote a more diverse human resource profile, we are encouraging the employment of differently abled individuals. In fiscal 2017, we established the Business Support Group within the Human Resources Department for performing office work from other departments, with the aim of providing differently abled employees with a comfortable workplace environment. As of June 1, 2019, the ratio of differently abled employees is 2.21%, which exceeds the legal requirement.

## Efforts to Cultivate Global-Minded Human Resources

### Initiative

Cultivate human resources Groupwide who can showcase their abilities at home or in different cultures

#### ■ Opening of the Global Human Resources Development Office

In October 2019, the Mitsubishi UFJ Lease & Finance Group opened the Global Human Resources Development Office within its Human Resources Department in order to speed up cultivation of the human resources needed for global business development. The Group is making efforts centered on this office, in cooperation with related departments, to provide a full set of training programs, which include a new education system for domestic employees, and training for locally hired employees aimed at spreading the Group's corporate philosophy. Moreover, the office serves to enhance HR's ability to support development and exchange among the Group's human resources.

#### ■ Sharing of the Qualities of Ideal Human Resources

Global expansion has brought together employees with diverse backgrounds, with over 1,000 Group employees working overseas. Locally hired employees, who up to this point have kept their focus on business within their respective countries, are now required to think of a single business from a global perspective, and must work as Group members to share its corporate message. For this reason, we are building a system to ensure that the qualities of ideal human resources, as required by the Mitsubishi UFJ Lease & Finance Group, can take hold among employees of overseas subsidiaries and become adopted as one of the themes for locally hired employee training.

#### ■ The Importance of Cross-Cultural Communication

While locally hired employees have deepened their understanding of Japan through Head Office training, domestic employees have been working to improve their communication

skills with a focus on language proficiency. However, making headway with overseas business requires the ability to communicate with an understanding of the differing customs and cultures of the people in these countries, in addition to language. For this reason, we will focus on human skills that promote understanding of different cultures and diversity and enhance our efforts in this regard. This includes training, started in fiscal 2019, that values the importance of cross-cultural communication and which targets employees from Head Office who are dispatched overseas, in addition to efforts to enhance our pre-overseas dispatch training for all employees.

#### ■ Enhancing Locally Hired Employee Training

With the number of employees at overseas subsidiaries on the rise, it has become increasingly important to train locally hired employees. Since fiscal 2012, we have been conducting group training at Head Office for managers and young employees so that locally hired employees can deepen their understanding of Head Office operations and Japanese corporate culture. In fiscal 2019, we introduced a new initiative to gather and train such employees primed to manage our overseas subsidiaries in the future. In fiscal 2019, three training modules were held at Head Office, with 36 participants. We will continue to enhance our employee training from fiscal 2020 onward.



Training for Locally hired Employees



Training for executive-track locally hired employees

## Enthusiasm and Vitality—Cultivating an Open Work Environment—

### Initiative

Fostering a corporate culture that maximizes the motivation and vitality of each employee

#### ■ Training and Surveys to Raise Vitality in the Workplace

In order to increase the enthusiasm and vitality of each and every employee, we are trying to create an open work environment that encourages employees to express their opinions. Specifically, we are evaluating issues raised in morale surveys and working to improve the mindset of members of management—the people who set the tone when creating a work environment—for the purpose of improving the climate in the workplace, and teaching methods for leading

subordinates and communication techniques designed to inspire independence in employees. From fiscal 2019, we have been working to further enhance initiatives to improve work environments, such as by conducting 360-degree surveys of management-level employees as part of our efforts to obtain objective evaluations from employees who are not their superiors, such as their colleagues and subordinates.

## Workplace Enhancement Project

### Initiative

Create a workplace where employees can perform their duties to the fullest (improve productivity by streamlining operational processes, improving work environments, and enhancing human resource development)

#### ■ Major Initiatives within the Workplace Enhancement Project

##### ■ Office Work

- Increased scope of business leader system\* in April 2019
- Increased scope of administration section managers from sales departments to corporate departments and business divisions (11 business leaders as of March 31, 2018; 18 business leaders as of March 31, 2019; and 28 business leaders as of April 30, 2020)
- \* Framework for the delegation of responsibility for certain back-office review procedures normally performed by administrative employees to clerical employees.
- Established the Productivity Improvement Office within the Operations Department and promoted Companywide measures to improve productivity in April 2019
- Work hours saved by utilizing RPA\* and other methods: 39,066 hours (April 2018–March 2020)
- \* Robotic Process Automation
- Held general job information liaison meetings with the themes of “transformation” and “communication” (February 2019, December 2019)

##### ■ Information Systems

- Improved work efficiency through digital technology (e.g., RPA and AI to replace routine work)
- Utilized chat and cloud tools to facilitate communication and provide work environment not tied to any one location
- Increased connectivity among overseas bases and raised efficiency

##### ■ Communication

- Created communication opportunities across departments, such as discussion opportunities between Heads of Business Divisions and Area Company / Machinery Business Company
- Facilitated communication among employees by introducing new communication tools

##### ■ Human Resources

- Launched selected staggered work hour system in February 2018, targeting all employees, with no restriction on reasons for use (used by 878 employees in fiscal 2019)
- Introduced teleworking system in October 2018
- Introduced by-hour leave acquisition system in October 2018
- Began new evaluation system in April 2019
- Held Human Resources Development Conference in January 2020 (with attendance by representatives of certain business divisions)
- Introduced multifaceted 360-degree survey for management-level employees in February 2020

# Health Management —Facilitating Improvements to Employee Health—

## Initiative

Implementing health improvement measures for motivating and maintaining a sense of pride in each and every employee

### Health Improvement Measures

The corporate philosophy of Mitsubishi UFJ Lease & Finance states, “We will create a workplace environment that motivates each and every employee and in which they can take pride.” Based on this philosophy, we are developing a health-care system comprising self-care, line care overseen by supervisors, and care provided by internal healthcare staff (human resource representatives) that incorporates industrial physicians, public health nurses, outside experts, and other specialized organizations. Through this system, we aim to help all employees improve their health.

Specific initiatives on this front include the following.

- Regular health examinations (99.8% of employees underwent examinations in fiscal 2019)  
Note: A small number of employees refrained from having examinations in light of the COVID-19 outbreak in March 2020.
- Implemented stress checks (about 95% of employees took these checks in fiscal 2019)
- Health consultation venues for speaking with health insurance unions, industrial physicians, and public health nurses
- Establishment of dedicated hotline for phone and e-mail consultation on health and other concerns available 24-hours a day, free counseling services, and medical facility referrals offered through cooperation with external specialists
- Designation of mid-level employees as healthcare representatives in all workplaces to provide line care while working to prevent and quickly detect health issues among newer and other employees
- Discussions of themes related to health improvement and illness at meetings of the Health Committee and dissemination of information based on these discussions and on lectures by industrial physicians
- Launching of efforts to prevent the spread of COVID-19, including the continuance of business activities while minimizing the number of employees in the office by focusing on working from home as much as possible, staggered work hours, avoidance of unnecessary visits and business trips, and other online solutions

### Certified as a Health & Productivity Management Organization (Large Enterprise Category)

Mitsubishi UFJ Lease & Finance was certified as a 2020 White 500 Health & Productivity Management Organization in the large enterprise category. The certification is granted for strategic efforts to maintain employee health from a management perspective, under the Ministry of Economy, Trade and Industry created Certified Health & Productivity Management Organization Recognition Program, which aims to give social recognition to outstanding enterprises engaged in health and productivity management efforts. Enterprises are judged in terms of employee health management, improvement, and promotion utilizing 25 criteria, including initiatives to promote work-life balance, and whether industrial physicians and public health nurses are involved with planning and verifying health maintenance and improvement initiatives.



We will increase our understanding with regard to efforts to improve employee health and implement reforms to meet the needs of the times to ensure that they can perform their duties in a lively and healthy manner.

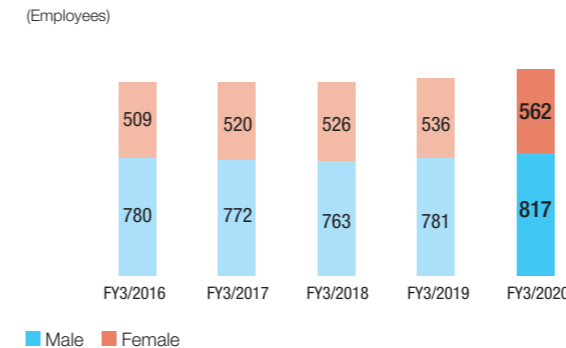
### Reduction of Overtime

The Company seeks to minimize health issue risks resulting from fatigue accumulated through excessive work hours and to promote work-life balance. To this end, we encourage employees to take part in a weekly “no overtime day,” when employees leave work at 7:00 p.m. We have also set Companywide leave acquisition targets and are promoting systematic leave acquisition to meet these targets.

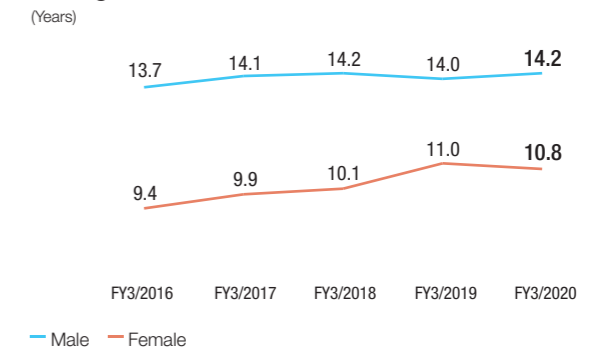
When an employee is judged to be at higher risk of health issues due to the accumulation of fatigue from excessive work hours, we ask this employee to consult with an industrial physician or public health nurse so that we can better keep track of their health condition and they can receive advice.

## Data on Human Resources

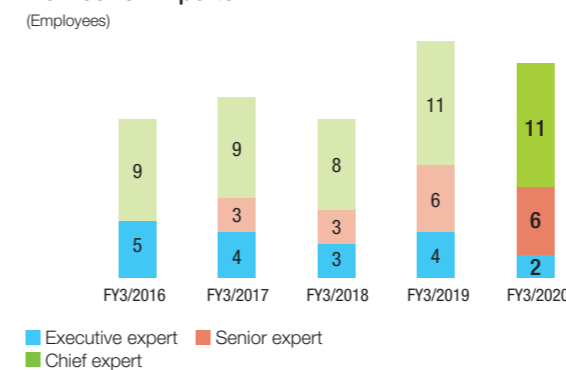
### Number of Employees (Non-Consolidated)



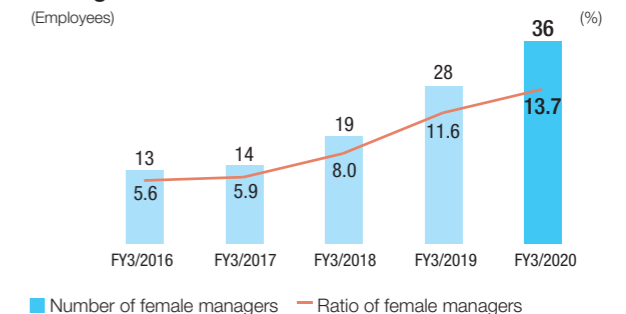
### Average Years of Service



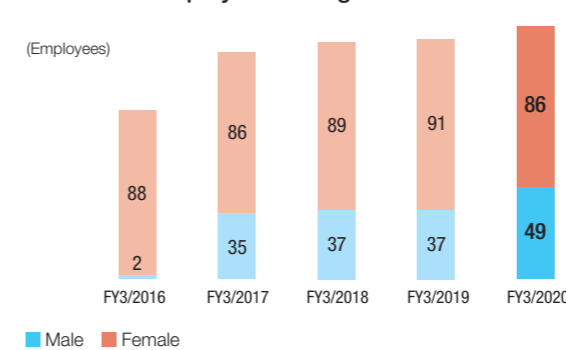
### Number of Experts



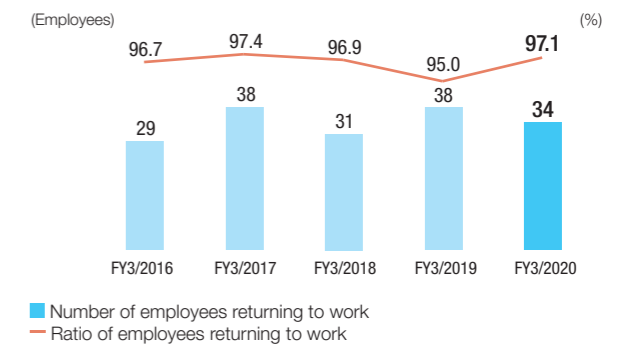
### Number of Female Managers and Ratio of Female Managers



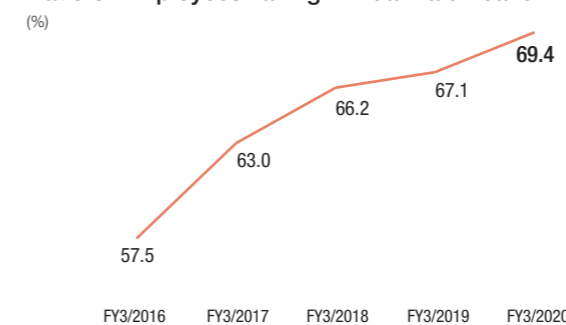
### Number of Employees Taking Childcare Leave



### Number and Ratio of Employees Returning to Work from Childcare Leave



### Ratio of Employees Taking Annual Paid Leave



### Results of Survey on Employee Morale

