

# Human Capital Initiatives

The Company recognizes that accumulating and utilizing human capital is an important issue to improve corporate value through the realization of its Basic Management Policy and the medium- to long-term management direction. In particular, to realize the SX/DX and business portfolio transformation shown in the medium- to long-term management direction and achieve performance indicators targeted by the Group, the Company will secure and utilize necessary human capital in terms of both quality and quantity. In fiscal 2022, we started visualizing human capital and began considering the gap between the human resources needed to achieve SX/DX and business portfolio transformation and the status of our human resources, in terms of both quality and quantity.

## Human Capital Strategy

Themes that we want to accomplish

In securing and utilizing human capital (qualitative shift in human resources and securing the quantity of human

resources) we uphold two themes to be accomplished in the medium to long term.

<b>What we want to accomplish (a)</b> Fulfillment of a talent portfolio Develop and secure human resources contributing to the Company's realization of strategies (quality and quantity)	We define the quality and quantity of human resources necessary to realize the medium- to long-term management direction and visualize a talent portfolio. We understand the disparities between our necessary human resources and current human resources in terms of quality and quantity and implement measures for filling them to supplement necessary human resources.
<b>What we want to accomplish (b)</b> Improvement in employee engagement Create an environment where employees work together to promote value creation	The Company creates an environment where employees take pride in their work and make discretionary efforts to work, there is a comfortable working environment where employees can utilize their capacities, and diverse employees are respected to enable employees to work together to promote value creation. We clarify issues to achieve and promote measures to continuously realize the status of high employee engagement.

Details of Initiatives

With regard to the above themes to be accomplished, we will give priority to working on the two matters of the human resource management base and the creation of a system for improvement in engagement. We will produce

a qualitative shift in human resources by reconstructing our human resource management base, and maintain high levels of employee engagement by creating a system for improvement in engagement. Thus, we will secure the quantity of human resources we require.

Details of Initiatives	
<b>Reconstruction of the Human Resource Management Base</b>	The Company has collected/accumulated information on human resources and used it for utilization of human resources (allocation and development) to date. Going forward, for “What we want to accomplish (a) fulfillment of a talent portfolio,” we will reconstruct the human resource management base, define types of human resources necessary to realize the medium- to long-term management direction, and then further understand human resources and conduct the human resource development that contributes to a qualitative shift. In understanding human resources, we handle qualitative factors such as experience, knowledge, skills, and competency in addition to the quantitative perspective, including the number of employees. In human resource development (qualitative shift), we identify qualitative issues to fulfill a talent portfolio and take measures for capacity development. Moreover, we will improve the accuracy of matching between human resources and jobs by systematically organizing information on jobs, in addition to information on human resources, to further ensure that the right people are placed in the right jobs.
<b>Creation of a System for Improvement in Engagement</b>	The Group has identified current issue areas by conducting an engagement survey and implemented improvement activities to date. Going forward, with KPIs set as indicators for engagement surveys, we will actively set challenges by establishing and utilizing a system to manage results, causes, and processes and promote measures. We will continuously realize the status of high engagement as the entire Group, ultimately securing the quantity of human resources.

Indicators and Targets

To achieve the target themes, we will formulate a talent portfolio framework, visualize the degree of fulfillment, and refine the content of engagement surveys to develop a more sophisticated analysis.

Specifically, we will monitor outcome measures by setting outcome-indicating KPIs and cause/process-indicating KPIs, while also identifying key causes and processes and implementing effective measures to meet targets.

## Developing and Securing Human Resources to Fulfill the Human Resource Portfolio

With our Basic Management Policy as a guide, we are constantly developing human resources to realize strategies, such as business development that goes beyond leasing and finance. The basic framework of our training system consists of rank-based training in conjunction with global, DX, and diversity training.

In rank-based training, we conduct various forms of training tailored to junior, mid-level, and management-level employees to develop their knowledge and improve their capabilities. At the same time, we conduct training along the lines of multiple themes related to global operations, DX, and diversity. We are committed to continually revising and further advancing the training system in the interest of producing a qualitative shift in our human resources.

Furthermore, to support career advancement, we have a system that allows employees to change career tracks, and an in-house job posting program through which employees can apply for the jobs they want to do. We also offer a career development program that helps employees’ self-directed efforts to develop their skills through training open to all employees and self-development support.

As the abilities and expertise required by each area of business become more diverse, we have put in place the necessary company-wide interpersonal skills training programs and conceptual skills training programs needed for organization and project management. In addition, each business division has introduced its own customized technical skills training and training rotation plans through which employees can systematically gain experience within their divisions. Further, we operate meetings where these initiatives are discussed and examined to share and refine human resource development and succession plans (the cultivation of successors to top management positions), ensuring that our various training programs are accompanied by measures designed to enhance training outcomes.

Additionally, training based on common Groupwide themes and certain training tailored to junior employees (compliance-related training, new employee training, communication training, and so on) is run on a Group basis, including for the employees of Group companies who wish to take part.

Global talent development

As a global company with firm roots in each country in which it operates, the Mitsubishi HC Capital Group focuses on developing global talent to support its operations. In Japan, we provide not only training to acquire language skills but also cross-cultural training to build an understanding of different cultural backgrounds around the world and promote smooth collaboration with employees at overseas offices and local partners. We are working to enhance a training system that ties directly to employees’ daily work.

In addition, we encourage junior employees to cultivate a global perspective through training that fosters interest in working overseas. We have an ongoing overseas trainee program that dispatches junior staff to other countries every year, which creates opportunities for them to come into direct contact with overseas businesses.

Through this system, junior employees gain practical experience overseas while we develop and expand our future global core talent base.

For employees at overseas offices, we provide training to promote understanding of Mitsubishi HC Capital’s Basic Management Policy, including Our Mission, and to achieve better engagement with the Mitsubishi HC Capital Group. We also provide training that brings together local employees from various countries and regions to nurture camaraderie across the Group.

Digital talent development

The promotion of DX and the development of digital talent is important if we are to realize Our 10-year Vision.

To develop digital talent, we assess all employees and officers yearly to visualize their level of DX and then provide e-learning and ability-based training to enhance their DX literacy. We also encourage employees to acquire various qualifications.

We also select DX experts with high-level expertise and a reform-oriented mindset from among employees with a high level of corresponding skill and background, regardless of seniority or position, and place them in more practical training programs in terms of both offensive and defensive approaches to operations to further accelerate the development of related talent.

### Recruiting and developing professional talent

To advance the evolution and layering of our business model, in mid-career recruitment we seek talent irrespective of gender, nationality, or other factors, hiring experienced professionals from each industry in which the Group operates. We also engage in recruitment activities that cast a wider net to attract potential talent.

As measures to enhance our recruitment framework, we have developed schemes for referral-based recruitment in response to employee introductions and alumni recruitment to re-hire employees who have resigned in the past as part of efforts to recruit from a diverse pool of talent and secure sufficient quantities.

### Diversity and Inclusion Aimed at Enhancing Employee Engagement

We position the promotion of diversity and inclusion as an important management strategy for the further expansion of the Group’s business domains and global operations, with our basic policy to foster a vibrant organizational culture that can create new value by bringing together a diverse group of human resources who can leverage one another’s strengths and bring out the most of each person’s motivation and talents.

One of our action principles is “Diversity: Embrace diversity and respect each other.” With this as the foundation, we aim to realize a vibrant organization that can create new value by bringing together a diverse group of human resources who represent a broad range of individual attributes such as nationality, age, and gender; and differences in life stage, experience, and values; and who can leverage one another’s strengths and bring out the most out of each person’s motivation and talents.

### Promoting women’s participation and advancement

We have formulated an action plan based on the Act on Promotion of Women’s Participation and Advancement in the Workplace and strive to promote women’s success. We have introduced systems that encourage the long-term employment of women and support their career development through rank-based training, dispatch to external training, and other opportunities. As a numerical target, the Company has set the goal of raising women’s representation in management positions (section manager or above) to 20% or more by the end of fiscal 2025.



“Eruboshi” mark  
Mitsubishi HC Capital was awarded the second-level “Eruboshi” mark from the Minister of Health, Labour and Welfare in recognition of its excellence in the implementation of initiatives to promote women’s active participation and advancement in the workplace, which fulfill the certification standards established under the Act on Promotion of Women’s Participation and Advancement in the Workplace.

On the development front, we train generalist human resources geared to function in various departments, but we also develop and cultivate professionals to lead business areas. As our business has grown more sophisticated and globalized in recent years, we have focused on the enhancement of advanced specialized skills that are required in each area.

We believe a recruitment and development plan for professionals from a medium- to long-term perspective is essential and hold meetings with various business divisions operating in key areas to promote discussions on (1) a training system that includes a predetermined job rotation and (2) strategic and proactive external recruitment.

### Employing people with disabilities

We position the employment of people with disabilities as part of ensuring the success of diverse human resources. We have established the Business Associate Employment System that provides a pathway for contract employees who have worked for the Company for at least one year to become permanent employees. We offer career paths after becoming permanent employees, fair evaluation and employment conditions under a goal management system, regular consultations and continuous education and training. We provide a workplace where employees can work at ease in an active role, as we develop human resources able to contribute to enhancing corporate value.

In addition, by conducting education and training for managers who work with and supervise employees with disabilities, with a focus on correct knowledge of, understanding of, and support for employees with disabilities, we are embedding inclusive work practices among teams of employees with and without disabilities.

### Work-life Balance

Aiming to reduce long working hours and control the total number of hours worked, the Company has set numerical targets for the rate of annual paid holidays taken by employees and monthly average overtime hours, and are working to realize work-life balance. In addition, we pursue initiatives to improve work efficiency, including systems that enable flexible working styles such as flex-time working hours, work from home, and telecommuting. As a system that allows employees to work based on their individual circumstances, we have also developed schemes for volunteer leave, as well as child and family care leave.


In April 2023, we introduced health promotion leave and further enhanced the programs we offer to support and advance individual employee health.

### Support for balancing work and childcare


We are working to expand the support system and create a workplace environment that enables employees to balance work and childcare.

Employees taking childcare leave are provided with a tablet device with access to the Company intranet and can participate in roundtable discussions with others also on childcare leave. This enables them to return to work more seamlessly after their period of leave. In addition, the Human Resources Department holds career interviews for returnees aimed at supporting proactive career development while maintaining a balance between work and childcare.

We also actively work to encourage men to participate in childcare through initiatives including the setup of a childcare leave consultation desk and publication of a childcare leave guidebook targeting male employees, and have set the goal of having 100% of eligible male employees use childcare leave by the end of fiscal 2025.



Platinum “Kurumin” Mark  
Mitsubishi HC Capital was awarded the Platinum “Kurumin” mark by the Minister of Health, Labour and Welfare in recognition of having fulfilled the required standards under the Act on Advancement of Measures to Support Raising Next-Generation Children. Going forward, we will enable our employees to choose from diverse working styles according to their individual life stage and environment, such as the need to balance work and child raising. By doing so, we will promote the development of structures and a corporate culture in which they can perform to the best of their abilities and achieve professional success.

 Please refer to our website for details.  
[https://www.mitsubishi-hc-capital.com/english/sustainability/social/employees\\_and\\_families.html](https://www.mitsubishi-hc-capital.com/english/sustainability/social/employees_and_families.html)

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

In 2023, we were certified as a Health & Productivity Management Outstanding Organization in the large enterprise category for the fifth consecutive year. The Certified Health & Productivity Management Organization Recognition Program recognizes large enterprises, SMEs, and other businesses engaged in particularly outstanding health and productivity management practices to take action based on health issues and implement initiatives to advance health as advocated by the Nippon Kenko Kaigi organization.

We have also met the standards for all evaluation items, including initiatives to achieve appropriate work-styles, such as a healthy work-life balance, and the involvement of industrial physicians and public health nurses to maintain and advance employee health.



### ➤ Message from the Diversity Promotion Office

#### To realize a workplace environment in which each employee can flourish

The Company positions diversity and inclusion as one of its key management strategies and is making every effort to develop an environment in which each employee can maximize their individual motivation and talents.

With measures to champion the success of women in the workplace, along with improvements to systems that help employees balance work with home life and the introduction of telecommuting and flextime systems, we are working to develop a work environment that enables efficient work.

To realize a work environment in which every employee, each boasting a diverse array of attributes, values, and backgrounds, can flourish, we will continue to promote diversity and inclusion in the future.



Members of the Diversity Promotion Office