

# Stepping up Human Resource Development



## Medium- to Long-Term Visions for Material Issues and FY2021 Results

	Risks	Opportunities	Direction of Responses
<b>Long Term</b>	<ul style="list-style-type: none"> <li>Remote working could lead to a decrease in operational or HR management, causing productivity to fall and weakening the organization.</li> <li>A delayed response to social or environmental changes could reduce competitiveness.</li> </ul>	<ul style="list-style-type: none"> <li>Higher productivity, a more resilient organization</li> <li>Enhanced competitiveness due to an increase in highly specialized personnel</li> </ul>	<ul style="list-style-type: none"> <li>Enact measures to enhance managers' ability to manage</li> <li>Augment the skills needed to respond flexibly to changes in the environment</li> </ul>
	External Environment	Stakeholders' Needs and Expectations	Medium-Term Targets
<b>Medium Term</b>	<ul style="list-style-type: none"> <li>Remote working leading to a lack of communication and growing sense of isolation</li> <li>A rapidly changing environment surrounding the auto industry (CASE, MaaS)</li> </ul>	<ul style="list-style-type: none"> <li>Secure personnel who have strong management capabilities</li> <li>Provide training that matches the environment and the times</li> </ul>	<ul style="list-style-type: none"> <li>Increase managers' management and HR development skills</li> <li>Improve training methods to match the environment and the times</li> </ul>

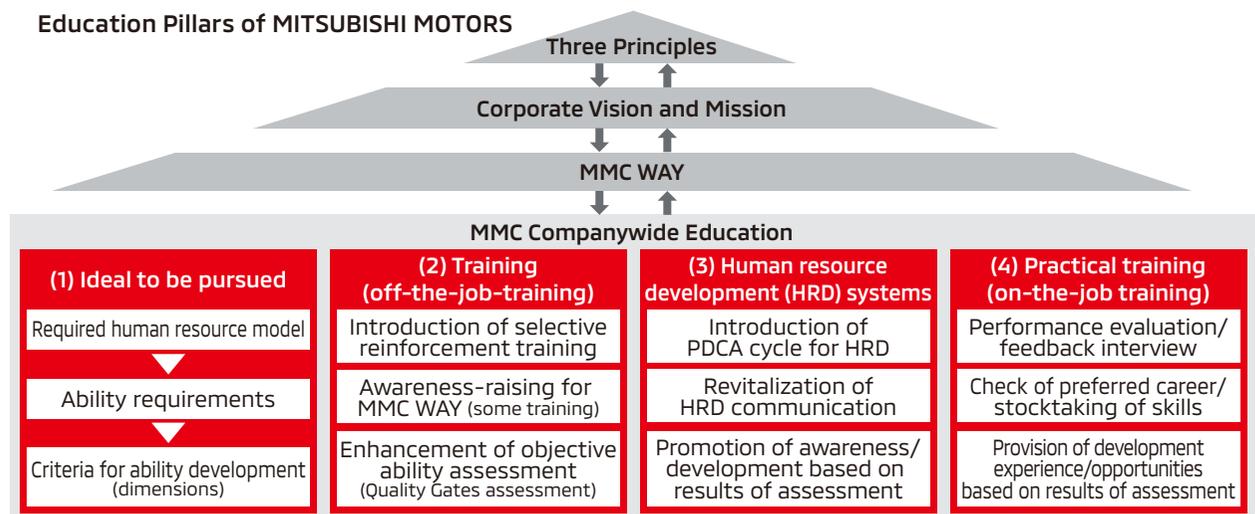
Items	FY2021 Targets and Results	Self-Evaluation
<b>Finding the best mix of online and face-to-face training</b>	Conduct online training through interactive communication using conference tools to make the training more effective In the second half, conducted face-to-face training (with thorough infection control measures in place)	○
<b>Enhancing managers' ability to manage</b>	Conduct training on a trial basis with a view to a companywide rollout Planned and conducted selective training for managers	○
<b>Augment communication skills</b>	Introduced a cross-mentoring system for new employees in addition to the existing mentoring system, with the aims of revitalizing communication in the remote work environment and helping employees gain traction early on in the workplace and making them more competitive.	○

○: As planned    △: Delayed

## Basic Approach

MITSUBISHI MOTORS' educational system is supported by three pillars: the Three Principles, a statement of the Mitsubishi Group's management principles; our Corporate Vision and Mission; and the MMC WAY, guidelines for daily behavior. We have clarified the abilities and skills necessary to put these principles or behavior into practice. We also specified the ideal model for each job classification and introduced respective curricula based on both.

Employees also discuss their personal vision for the future during annual interviews with their superiors. Sharing such visions between superiors and subordinates leads to achievement of human resource development with deeper understanding.



Target  
4.4

## MMC WAY

MITSUBISHI MOTORS has summarized the attitudes and actions that employees need to practice to fulfill our mission. We have encapsulated this information into concrete and easy-to-understand keywords and shared them with employees as the "MMC WAY."

In FY2022, the Executive Officer, President & CEO and other members of the management team discussed the ideal standards of MITSUBISHI MOTORS in light of changes in the automotive industry and the environment surrounding our company. After listening to employees' opinions, we revised the MMC WAY, comprising five key items.

The first two items in the new MMC WAY emphasize key values. They call on us to "think of our customers first" as the foundation for earning "society's trust" and to "contribute to society" through our corporate activities. These items incorporate the message that every employee must remember our raison d'être: satisfying customers and contributing to society through corporate activities.

With the other three items, we have expressed important elements in the previous MMC WAY more specifically and clearly.

All executives and employees will share in the new MMC WAY, which incorporates what is important in our lives as a company and as human beings, and we will work together as one to take on the challenge of reaching our goals.

### MMC WAY

1. **Think of Our Customers, Strengthen Trust**
2. **Enrich Society**
3. **Welcome All Facts, Share Difficult News First**
4. **Conduct and Challenge Yourself Professionally**
5. **Respect All, Work as a Broader Team**

## Management Organization

In FY2021, we established the HR System Review Committee to identify issues with the current HR system and ensure fair and stable operation of the system, with compensation commensurate with job responsibilities and performance. The committee is made up of the Executive Officer, President & CEO and other members of the management team. Reflecting the committee's review results, we are introducing a new HR system in FY2022. In FY2022, we also established the HR Development Council as a successor to this committee, with the same members, to discuss and consider measures for cultivating young employees and executives. At present, we are working to optimize our personnel plan, striving to reinforce expertise in each department while determining the best balance with fixed costs. In addition, we are moving forward with recruitment to expand our development of electrified vehicle power train control systems and technical expertise in other fields, as well as to promote digital transformation (DX).

Meanwhile, we are looking into the continuous upskilling of IT/digital personnel and the implementation of digital literacy and reskilling for employees outside the IT department. We also dispatch employees for language and other training to the ASEAN region, which is a key geographic region for us, and welcome trainees from affiliated companies in the ASEAN region. Preparations are underway to begin training-oriented personnel exchanges among affiliated companies.



## Training and Education

### MITSUBISHI MOTORS' Education Program

Based on the education pillars, sections in charge of education with the Human Resources Division have put in place a training program for the systematic

development of human resources, from entry-level employees to general managers.

We plan and implement a variety of employee training programs, including not only training curriculum based on employee job classification, but also selective training for managers, training for all employ-

ees utilizing e-learning, and selective training in which employees voluntarily choose a program to attend.

### Consideration for Training Methods in Response to a Changing Environment

To respond to the changing environment and boost its organizational capabilities, MITSUBISHI MOTORS has put in place a training system that cultivates personnel in a systematic manner, from entry-level employees to general managers.

By introducing a telecommuting system in FY2021, we paved the way for expanding our training methods in preparation for a post-pandemic world. We expanded the online training that we put in place in the previous fiscal year, moving from a listening-based approach to one that uses conferencing tools to foster group work and real-time question-and-answer sessions. As such training is not location-specific, people from different worksites can participate at the same time, which encourages interaction among locations. While ensuring pandemic-protection measures are in place, we are also gradually reintroducing group training, depending on the training's objective. For example, we are conducting some parts of new-employee training face to face. We will continue to strengthen our educational system with the aim of developing human resources capable of responding flexibly and autonomously to changes in the environment.

The ability of each individual is the key to corporate growth in a situation where the future is difficult to predict. Recognizing this, we will continue to study and implement mechanisms that help employees cope with changes in the environment and support their personal growth.

▶Data (p. P125): FY2020 training results

Job Classification (required human resource model)	Training for each job rank				Training across all job ranks	Global	
	Training for newly promoted employees	Reinforcement training	Training for candidates for promotion	Institutional training		Mindset/Skills	English
<b>General managers (M1)</b> (innovation leader)	Training for newly Promoted M1	Selective reinforcement training (e-Learning)		Feedback interview training Follow-up training on commitment and target & K/M/C WAY		Selective training (GCDDP*3 program, etc.) Training for expats to be dispatched to foreign affiliates	Measures for Improving TOEIC score (TOEIC score range from 300 to 695)
<b>Section managers (M2)</b> (management professional)	Training for newly promoted M2	Leadership training for organizational transformation Selective reinforcement training (e-Learning)	Training for M1 candidates (assessment)		Training for mid-career employees Engineer training		
<b>Assistant Manager</b> (a leader of practical work)	Training for newly promoted Assistant Manager	Training for M2 candidates	Training for M2 candidates (assessment)		Training for mentors of new graduates		
<b>Main Staff</b> (a key player in the execution of work)	Training for newly promoted Main Staff	Training for Assistant Manager candidates Good communicator development training					
<b>Staff</b> (a professional in the operational work)	Entry-level employee training	Third year training*1 Second year training				Global mindset training*2	
<b>Clerical Staff</b> (efficiently carries out operations)	Entry-level employee training	Third year training*1 Second year training				Global mindset training*2	

\*1 Mid-career employees undergo fundamental business skills follow-up training corresponding to third year training.

\*2 To be conducted within third year training and entry-level employee training program, respectively.

\*3 GCDDP: Global Career Development Program



## Fostering Global-Minded Human Resources

In line with increases in both overseas production and sales volumes, we are placing emphasis on developing human resources who are capable of adopting a transglobal perspective and performing in the global business field.

English language skills are essential when working with people outside Japan, so we offer employees training designed to systematically improve their English skills, including beginner and intermediate courses aimed at improving basic skills. We also offer local language courses for employees who will be stationed in non-English-speaking countries.

In addition to language training, we run a program in which younger employees are dispatched to non-English-speaking emerging countries for three years (one year of language training + two years of work experience at a local affiliate). Plans are also in place for training programs at overseas subsidiaries.

## Supporting Lifelong Education

In accordance with the Revised Act for the Stabilization of Employment of Older Persons, which went into effect in April 2021, we are promoting the reemployment of retirees aged 60 and over to steadily pass on the skills, knowledge and experience of our skilled workers.

We are also working to support the lifelong career development of our employees. For instance, we regularly hold Good Life Seminars, a joint undertaking with the labor union geared toward employees aged 50 and over, where we give post-retirement life planning advice.

### FY2021 Seminars for Future Good Life

Number of seminars	4 in total across the company
The number of participants	55

## Career formation and evaluation

### Personnel System

Regarding career formation, we have put in place a system which enables employees to proactively set their own goals based on their achievements, capabilities, and life plans, while elevating their capacity to achieve these goals.

As a specific career development method, employees participate in interviews with their superiors every year. The interviews are held based on their Career Development Plans in which employees describe a future career course they hope to take and their medium- to long-term career design by reflecting on their past career. The aim of this interview is to have employees build an objective picture of their challenges and then proceed along a career path they have formed for themselves with conviction and a high degree of motivation.

We have introduced multifaceted competency (behavioral) evaluation systems for general managers and section managers, as well as for general employees, based on a performance achievement evaluation using a target management system, the MMC WAY (our action guidelines), human resource development and organizational management, and expertise, respectively.

We have positioned these systems as management-enhancing tools aimed at general managers and section managers with the objective of revitalizing the

organization. In doing so, we aim to: (1) Share organizational objectives and foster a sense of responsibility for achieving these objectives, (2) Enhance incentives for achieving objectives, (3) Enforce mindset and behavior expected from employees, and (4) Make appointments and promotions according to merit.

For non-management personnel, our aims are (1) Sharing organizational objectives and instilling a sense of responsibility for achieving them, (2) Raising transparency and employee approval of evaluations and employee treatment, and (3) Promoting the establishment of shared values.

## Fair Compensation System

We introduced a remuneration system that allows for appropriate compensation based on the roles, degree of contribution, and weight of the roles and responsibilities of each employee. We provide the system to enhance each employee's career and motivation. In conjunction with raises given annually based on individual performance, raises are also given according to advances in career.

We comply with local laws and regulations regarding wage levels and set wage levels according to job classifications, taking into consideration industry levels. There are no discrepancies in wages based on race, nationality, sex, or other such reasons.

▶ Data (p. 125): Wage levels