

# Employee Relations

Our staff are our greatest asset, and therefore a healthy working environment is key to ensure that each employee is able to make the best use of his or her own abilities and enhance his or her value within the company. MC is committed to protecting the rights of our staff, and this basic stance is central in our approach to human resources development and health and safety provisions within the workplace.

## Basic Approach

MC is involved in a wide range of global business activities through its corporate staff section and its six business groups. In addition to a global vision and common direction for its employees, the company implements local initiatives that are tailored to each country and region out of respect for cultural and regional diversity.

## Human Resources Policies

Employee compensation at MC is based on a fundamental policy of merit-based pay and pay according to ability and level of employee contribution. Our people are given assignments based on personal ability and suitability for the job, regardless of gender, nationality or age.

In Japan, personnel transfers are facilitated through a job transfer request program and internal job postings. Hiring is conducted through recruitment of new graduates and through mid-career hiring of personnel.

Overseas offices have developed HR policies and procedures appropriate to the characteristics of the specific region and local business conditions. To complement these initiatives, the MC head office has developed a range of training programs, such as the global leadership program, as part of its medium and long-term strategy to develop staff worldwide. As a result of its sustained commitment to these programs, the company has witnessed an increase in the number of overseas staff being promoted to senior positions. As of April 1, 2006, seven local employees had been promoted to senior positions including positions as branch managers and presidents of local affiliates. Overseas staff continue to play an increasingly important role, prompting the company to strengthen its regional training programs in Asia, China, the United States and Europe. The company is also implementing initiatives to develop and enhance the business skills of local staff and to facilitate the capacity for human resources development at local offices. These initiatives are part of a focus on adopting programs that promote human resources development throughout the company.

## Promoting a Work-Life Balance

MC revised its child-rearing and family care support systems in April 2005. The child-rearing system was revised to reflect the enactment of the Law for Child and Family Care Leave and related regulations in Japan. Working hours during pregnancy and maternity periods are now shorter, and employees can take maternity leave until a child reaches the age of two. Both men and women can now take advantage of shortened maternity and paternity working hours. The company has also conducted employee surveys and has encouraged dialogue between the staff union and management in an effort to better support the balance between work and child-care.

The family care support system has also been revised to facilitate the working environment for individuals who need to provide care for family members. For example, the company has adopted new rules to enable employees to take days off for family nursing care.

## Diversity and Equal Opportunity

### Equal Opportunity Employment and Anti-Discrimination Measures

The company's fundamental stance is to refrain from discrimination against applicants and employees on the basis of race, religion, gender, nationality, age or disability. This policy extends to every situation including hiring and employee promotions. In Japan, the company conducts training on human rights awareness under the guidance of its Human Rights Awareness Committee. The training seeks to provide each employee with a proper understanding of human rights issues whilst enhancing awareness of these issues. The company also operates a hotline which employees can turn to for advice.

### Employee Diversity

As a global organization, MC welcomes diversity in its global workforce. It implements initiatives to address diversity issues in every region, and it complies with national laws and regulations designed to promote equal opportunity employment.

MC recently established a new Human Resources Development Center, which was launched in April 2006 at its head office operations. Previously, the company had established an International Human Resources Office during the mid-nineties with the aim of continuously strengthening the development of its staff around the world. However, in response to the growing need to comprehensively develop human resources on a consolidated and global basis, the Human Resources Development Center was established to focus on the enhancement and the development of human resources, both in Japan and overseas, including employees at the company's business investments.

### Employing Persons with Disabilities

Under Japanese law, large corporations are required to employ a certain percentage of persons with disabilities in order to provide equal opportunities for employment. The percentage must be at least 1.8% of the total workforce, and MC surpassed this percentage in fiscal 2005 with 1.85% of its workforce consisting of persons with disabilities. Affiliate Mitsubishi Shoji & Sun Co., Ltd., which was established in 1983, is also legally recognized as a special affiliate employing persons with disabilities.

## Education and Training

### Extensive Training Opportunities

MC offers an extensive range of training programs designed to develop employees who can work autonomously as professionals with highly marketable skills. The company provides these training opportunities at its head office in Tokyo, and many of these programs, adapted or developed to suit regional needs, are also available in overseas subsidiaries.

In Japan, under the Mitsubishi Corporation Open College program, employees can choose and take courses necessary to develop their own skills based on the demands of their work, and these courses are available to all employees regardless of age or existing qualifications. In addition, the company implements a basic business skills program to equip employees who are new to the organization with the fundamental knowledge and skills needed for work. The company also implements programs to enhance management skills, and a career development program is provided for employees to take stock of their own careers and to establish a future career path.

Orientation seminars that are geared toward specific objectives are also conducted. These seminars are designed for a wide range of employees, from newly appointed directors to employees destined for overseas transfers or assignments to business investments. The company also offers programs for foreign language study abroad and scholarships for study at overseas business schools. Corporate subsidies are also available for employees to take courses for professional self-development.

## Working Conditions and Health and Safety

### Employee Health and Safety

MC is dedicated to helping its employees maintain their physical and mental well-being at work. The company provides medical clinics at its head office in Tokyo and Kansai branch office. Every employee receives an annual physical check-up while employees over the age of 40 receive a more extensive annual medical check-up. Employees and the families of employees transferred to positions overseas receive medical examinations prior to their departure and upon returning from their assignments. In addition to these medical clinics, the company operates counseling facilities to promote the mental well-being of its staff.

### Message from the Mitsubishi Corporation Employees Union

Of all of MC's stakeholders, employees who conduct the day-to-day business activities are the biggest assets of the corporation. The company implements strategies designed to maximize the capabilities of its employees from a company-wide business perspective while taking into account the surrounding business environment. It is our job to continually examine these strategies in order to determine whether they meet the company's expectations from the perspective of all employees.

At the same time, the goals of the union must be compatible with the corporation's continued existence. Japan is facing an aging population and declining birth rates that will shrink its labor pool in the future. One of the critical tasks facing the company now is to create workplaces with a diverse workforce in order to achieve sustainable growth over the medium and long-term. The Mitsubishi Corporation Employees Union is committed to having an active voice that will contribute to the mutual prosperity of both employees and the corporation. We will seek input from a wide spectrum of employees in order to find ways to develop the respective abilities of our staff in Japan.

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Employees Union

