

MC's Management Professionals

Getting involved in real businesses in Japan and overseas foster many future management professionals, which will improve MC's corporate value. The following are stories of two MC employees who are currently involved in overseas business management on the frontline.



Striving for sustainable growth by constantly changing business models

Diamond Generating Corporation (DGC)
Chief Executive Officer (CEO)

Satoshi Hamada

Global Environmental &
Infrastructure Business Group

electric power business. DGC is operating eight gas-fired power plants and two wind farms at present, with two more under construction. A total of 67 employees work at DGC today, and about 20 employees will be hired next year to expand business.

"The most important job of CEO is to motivate employees and get the best abilities out of our individual employees." says Mr. Hamada. In an American company where many employees have a strong sense of professionalism as well as diverse backgrounds and views, he usually presents a big vision to let the people focus on the goal, instead of trying to manage each of them differently.

"What's important is that we all can share visions for five to ten years ahead, which makes us so excited. However, if those visions are egocentric, no one will follow you. Not because I want to do

Vision with well-balanced dream and reality matters

"My mission here is to develop and scale-up our electric power business, leading it to sustainable growth in the future as a company involved in the MC Group."

Says Mr. Hamada, who became CEO of DGC in May 2015. DGC, headquartered in Los Angeles, U.S., who is dedicated to development, construction, operation and maintenance of local power plants as the base of MC's North American

it, but from the viewpoint of what should be done for the company to realize sustainable growth, I always try to create my visions with well-balanced dreams and reality."

Mr. Hamada says, "Looking back, all pieces of my past experience which have been connected to each other like a chain made what I am today." He talked about a natural gas-fired combined-cycle power plant construction project in Mexico, in which he participated in his eighth year at MC.

"In the project, for the first time in my career, I was entrusted with the manager's role in financing, which required me to coordinate many people with conflicting interests or in different positions. I fully realized that important things were firstly defining our goals clearly, presenting specific plans, and constantly checking the progress."

In the meantime, for two years from 2013, he belonged to the Corporate Strategy & Planning Department, where he had opportunities to get involved in a number of projects including those of other business groups. He says he had learned the importance of drawing a clear path toward growth in order to create positive feelings among employees.

Searching for opportunities for the future growth

DGC aims to double its net profit by 2020. When specific actions were internally studied, what Mr.



Sentinel Power Plant owned by DGC (California, U.S.)



President and CEO Kakiuchi visiting Sentinel Power Plant (the fourth person from the right at the front)

Hamada did first, just after having become CEO, was to re-look at where the company stood and had each employee clearly understand the roles that DGC should play. "I explained the position of the electric power business in MC and the roles of and expectations for DGC. As a result, our employees all looked stimulated, and I felt confident that their consciousness as part of the MC Group had been enhanced." Mr. Hamada recalls.

On that basis, he discussed thoroughly with the employees as to new businesses they should develop with the existing gas-fired power generation business, taking into account possible changes in the future business environment.

Starting something new is not only the option for our growth. What businesses would lead to growth? After looking at every possible business model and repeating internal studies over and over, we reached the conclusion that we should engage in distributed solar power generating business, which produces and consumes energy locally.

Without being satisfied with the status quo, he wants to further grow the company by adapting itself to changes in the world, and constantly making adjustments to the business models ... Mr. Hamada's passion has permeated through the company, ensuring DGC's steady progress toward sustainable growth.

Managing the Company with Fairness and Passion



Managing an overseas group company after temporary assignment seconded by MC

"Managing an overseas group company was one of the goals I have envisioned since I joined MC," says Mr. Okabe, who has been operating DGMC since 2015 as EVP at its office in Calgary, Canada. DGMC is engaged in shale gas production in western Canada, and is also in the process of commercializing "LNG Canada," an LNG (liquefied natural gas) export project that MC is jointly involved in with Shell, Korea Gas Corporation and China National Petroleum Corporation.

Ever since joining MC in 1992, Mr. Okabe has been involved in LNG business. His temporary assignment at LNG Canada Development Inc. for one year starting in 2014 was particularly valuable to him. Out of about 200 employees, the personnel seconded by Japanese companies were only a few, and there were no predecessors to rely on.

Diamond Gas Management Canada (DGMC)
Executive Vice President (EVP)

Michihiko Okabe

Energy Business Group

The mission given to him was to conclude ten contracts associated with the main contract within one year, as a chief negotiator for pipelines, with approval by all the shareholders.

"I have no experience with pipelines. Can I really get this critical job done?"

Making a hard-landing on the new, non-Japanese working environment where counting on other's assistance was a no hope unless he explicitly shouted for it, he was very busy during the day time preparing for negotiations, and after returning home, he had to read 1,000-page agreements written in English until late at night, day after day. Mr. Okabe confesses, "Honestly, I sometimes wanted to run away," but what encouraged

him was a strong sense of responsibility. "I am doing this on behalf of MC, so I must pull this off, whatever it takes." In the end, he could finalize those contracts, and earned trust from his superiors and colleagues. This experience also helped him gain self-confidence.

Deal with each employee with high aspirations and passion

Working on DGMC operations every day, Mr. Okabe always keeps in mind "being fair" and "making decisions based on his common sense." "The moment you stop managing a company in a fair manner, you will lose not only trust from your business partners but also centripetal force, which will discourage your employees a lot," says Mr. Okabe. In the days of LNG Canada Development Inc., he learned the importance of making decisions based on common sense, a business practice that he developed through his past experience. He came to know this notion from his ex-supervisor, who was very active as a professional negotiator at that time, and who used to say, "A key to success in negotiations of all types is to follow



DGMC members from all over the world

what you believe to be right based on your own experience. Just be down to earth and use your own common sense." Even today, these words remain an important guideline for him in making daily management decisions.

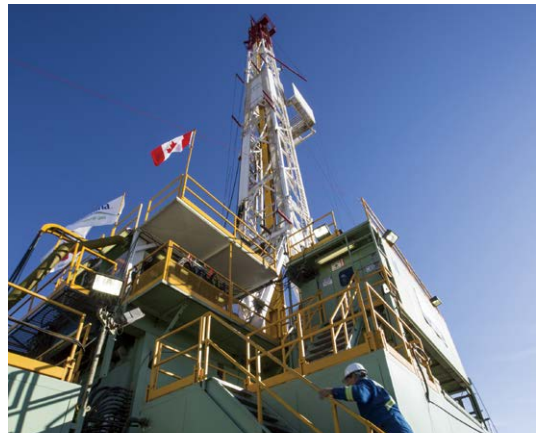
At present, about 30 employees are working at DGMC. Mr. Okabe is dealing every day with each of the employees with diverse nationalities and sense of value, keeping in mind "setting a high goal" and "being passionate."

"Setting a high goal and talking about the future of the company are important elements required for leaders. What I believe more important than anything else is to deal with our employees with passion. I am trying to create a workplace environment in which no employee will be isolated."

When he was about to give up in the past, many superiors gave him words of encouragement. This experience remains deep in his mind, even today.

The presence of DGMC in MC's North American energy business has been growing each year. "The 'Montney' shale assets MC is currently working on in western Canada are very cost-competitive, and we expect to see new business opportunities there. With a sense of tension and preparedness, something like "We can't afford to fail," I want to develop businesses that will make MC successful in the future."

Mr. Okabe's challenges will never end.



A production site at the "Montney" shale gas field that DGMC is working on