

Human Capital Report

Developing Our People—Putting Our Core Belief into Practice

 Mitsubishi Corporation

How our approach to developing our people has enabled us to put our core belief into practice.

Our people are our greatest asset.

Many companies express this belief in their stance toward employees, and we are no exception. No matter how the business environment changes, our people remain the foundation of the company. However, upholding this principle while continuing to pursue value creation and fulfill our social responsibilities is not always easy.

Our people and our integrated strength are our greatest competitive advantage.

At Mitsubishi Corporation (MC), management has consistently emphasized that our greatest competitive advantage lies not only in individuals, but in the integrated strength that emerges when they come together as a team. In this report, we present our human resource initiatives, including the challenges and objectives behind them, to demonstrate how our core belief has been put into practice through developing our people, even as the business environment continues to evolve.

In Chapter 1, we outline the initiatives we have implemented as part of our approach to developing our people while adapting to changing times, along with the underlying philosophy behind them.

In Chapter 2, we provide a structured overview of the direction and implementation of our human resource strategy under MC HR Vision DEAR.

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Our Long-Held Core Belief

As an integrated trading and investment company, Mitsubishi Corporation has expanded its business by leveraging diverse value chains and a broad asset base.

At the same time, we recognize that it is our people who harness these assets to create new value and drive business growth.

These individuals do more than sustain the organization; they unlock its full potential by leveraging their unique characteristics and strengths.

In fact, our successive presidents have consistently underscored the importance of developing our people.

Since our founding, we have upheld this belief through both our words and actions, and it remains unchanged at the core of our management philosophy today.

Our diverse employees operate freely within a supportive environment, and aligning their capabilities with the company's goals is essential.

1980–1986 Yohei Mimura

Develop people who challenge the status quo.

2004–2010 Yorihiro Kojima

Our credibility has been built over decades by our predecessors. As one team, we will continue to develop the company and pass it on to the next generation as a resilient and outstanding organization, while carrying forward its legacy and traditions.

1974–1980 Bunichiro Tanabe

Trust between people is crucial. To us, our people are our capital.

1960–1966 Sho Kiyohiko

Our people and our integrated strength are our greatest competitive advantage. We do not pursue profits at the expense of corporate ethics. We are committed to ensuring that all officers and employees share a strong sense of integrity.

1998–2004 Mikio Sasaki

A strong organization and disciplined governance form the foundation of our strength.

1954–1960 Katsujiro Takagaki

People and our integrated strength are our greatest competitive advantage.

We do not intend to pursue revenue growth through transactions that lack a sound basis of profitability or that may be perceived as speculative, now or in the future.

1986 Takeo Kondo

Above all, the passion and front-line focus of each individual employee are what matter most. These are the core principles we must uphold as Mitsubishi Corporation employees, regardless of changes in society, the environment, or our business.

2022– Katsuya Nakanishi

Do not back down or be intimidated—continue to take on challenges.

2010–2016 Ken Kobayashi

The most important priority is not just the creation of plans, but their effective execution.

1986–1992 Shinroku Morohashi

Employees grow through their work, and their growth contributes to the company's development. In turn, the company's growth further supports the growth of its employees.

2016–2022 Takehiko Kakiuchi

Our people are truly the greatest asset. The future growth of a company depends on how effectively it continues to develop and empower them.

1966–1974 Chujiro Fujino

First and foremost, we are committed to acting with fairness. Our traditions are deeply tied to our credibility, and all employees must continue to uphold and further develop the traditions we have cultivated throughout our history.

1992–1998 Minoru Makihara

We will explain how our people and our integrated strength serve as a competitive advantage, together with the specific initiatives that support them.

History of Our Approach to Developing Our People

Since our founding, we have pursued new value creation by flexibly adapting our business models in response to changes in the business environment. Throughout our history, our human resource function has extended beyond the planning and administration of systems. Taking a medium- to long-term perspective, it has laid the foundation for future growth.

In this section, we trace the history of Mitsubishi Corporation's approach to developing people, beginning with the Great Merger in 1954, and highlight key challenges we have faced in the context of the social environment and management strategies of each period. Grounded in our core belief that "our people and our integrated strength are our greatest competitive advantage," this approach has supported business growth from both a human and organizational perspective.



Business Trends

1954

The Great Merger

In 1947, the former Mitsubishi Corporation was dismantled under an order from the General Headquarters of the Supreme Commander for the Allied Powers (GHQ) to break up Japan's business conglomerates. More than 100 new companies were subsequently established, later consolidating into approximately 12 firms. Seven years after the dissolution, they were reunited in the Great Merger.

Late 1970s–

Strengthening Corporate Structure during a Low-Growth Period

To ensure sustainable growth in a low-growth environment marked by an oil crisis, a declining birthrate, and an aging population, we strengthened our corporate structure through management reforms and actively expanded into new business areas, including full-scale overseas investments.

Late 1980s–

Strengthening Capabilities in Response to Rapid Changes in the Global Business Environment

Amid a rapidly changing business environment, including a recession driven by a strong yen and the collapse of the economic bubble, we moved beyond our intermediary role and strengthened our capabilities to deliver added value through upstream and downstream investments.

Late 1990s–

Transforming Our Business Model from Trading to Investing

We transformed our business model in response to industry-wide shifts in value chains. Moving beyond our intermediary role, we accelerated business investments and began to operate our businesses directly.

Late 2010s–

Expanding into Business Management

In addition to securing value chains through investment, we aimed to enhance value across the Group through business management.

Human Resource and Organization Trends

1950

Restructuring Personnel and Organizational Frameworks Based on Fairness and Human Resource Capabilities

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1960

1970

Establishing Systematic Frameworks to Drive Sustainable Growth through Human Resource Capabilities

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1980

1990

Alignment of Management and Human Resources to Sustain Organizational Vitality during Industry Downturns

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2000

2010

Human Resource System Reform Aligned with the Shift to a Business Investment Model

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2020

Strengthening Adaptability to Meet Diversifying Social and Business Demands

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Restructuring Personnel and Organizational Frameworks Based on Fairness and Human Resource Capabilities

After World War II, the former Mitsubishi Corporation was dissolved under a policy to break up Japan’s business conglomerates. Seven years later, the independent companies were brought back together in the Great Merger. Following the challenges of the post-merger period and Japan’s subsequent era of rapid economic growth, we restructured our personnel and organizational frameworks around equity and the capabilities of our people to unite employees with diverse backgrounds and levels of experience. During this time, we established the organizational framework that continues to support our expansion as a *sogo shosha*, or an integrated trading and investment company.



Changes in the Workforce and in Japanese Companies

Transition from post-war recovery to a period of high economic growth

Urgent efforts to expand business operations and increase personnel

Emergence of Japanese-style management

- ▶ Adoption of pyramid-style organizational structures to support top-down management
- ▶ Cultivation of unity through lifetime employment and seniority-based systems
- ▶ Frontline-driven talent development to enable rapid workforce readiness

01 From Post-War Chaos to Peacetime Order: Introduction of Adjusted Years of Service and Base Salary Systems

At the time, employee backgrounds varied widely due to demobilization and reforms in the education system, and there was no consistency in compensation systems in the period from the dissolution of the former Mitsubishi Corporation to the Great Merger. To address these challenges, we introduced an adjusted years-of-service system and a base salary system. We also established a fair evaluation framework based on years since graduation, taking into account individual circumstances such as educational background, time spent in school, and military service. While not all employees were fully satisfied, these measures represented the most practical approach under the constraints of the post-war period and contributed to restoring organizational order.

02 Recruiting from a Big-Picture, Long-Term Perspective

Immediately following the Great Merger, the newly unified Mitsubishi Corporation faced overstaffing due to the integration of approximately 12 companies, leading some to suggest curtailing recruitment. However, taking a big-picture, long-term perspective, we instead launched full-scale recruiting efforts beginning the following year. We also introduced a policy prohibiting the recruitment of employees’ relatives* to ensure fairness and prevent referral-based hiring. In 1971, as competition for talent intensified and hiring timelines began to move significantly earlier, top management took a principled stance, declaring that “we will not engage in early recruitment, even if we must do so alone.” Guided by our core belief that “our people and our integrated strength are our greatest competitive advantage,” we have consistently sustained our recruiting efforts while upholding social responsibility and fairness in response to both internal and external changes.

* This policy was later abolished in line with changes in the social environment and recruitment practices, to support open and fair hiring based solely on ability and qualifications.

03 Clarifying Our Role and Responsibility for Developing Our People: Product Division System and Human Resource Oversight

After the Great Merger, we adopted a vertically integrated departmental structure in which Head Office sales departments oversaw all domestic and overseas operations based on the products they handled. However, as our workforce expanded, we sought to improve operational efficiency and, in 1968, transitioned to a product division system centered on profit responsibility units. This structure went beyond decentralization; it clarified accountability for both the utilization and development of human resources from a medium- to long-term perspective. It also laid the foundation for our current approach to human resource oversight. At its core, our approach to developing our people is grounded in a long-term perspective that provides employees with diverse, hands-on business experiences, supported by clear human resource oversight. We have continued to uphold this approach while adapting to business expansion and changes in the business environment.

04 Implementation of Systematic Off-the-Job and Overseas Training Programs

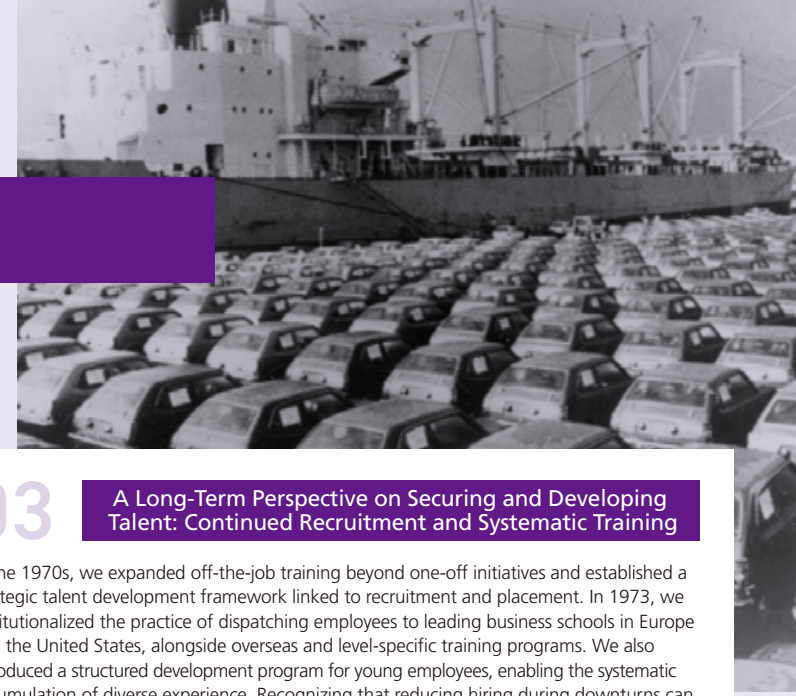
We do not simply recruit talent; we work to systematically enhance the value our people create. This is one of our key strengths. While on-the-job training (OJT) remains the foundation of employee development, we have long implemented systematic off-the-job training (Off-JT) from an early stage, including training camps and instructor-led programs for new employees. For management-level personnel, we provide level-specific training to steadily strengthen leadership and management capabilities. In addition, we were ahead of many companies in establishing structured opportunities for skill development. This included sending employees overseas for foreign language training (beginning in 1958) and to leading business schools in Europe and the United States (1970), thereby building a pool of talent capable of operating on a global scale.



Even amid the need to restore order during the turbulent post-war period, we consistently maintained a long-term perspective, grounded in our belief in the potential of our people. By continuing recruitment even during periods of excess staffing and implementing systematic talent development at a time when OJT was the primary approach, we have worked to maximize the potential of our people, guided by our core belief that “our people and our integrated strength are our greatest competitive advantage.” This commitment remains the foundation of our human resource capabilities today.

Establishing Systematic Frameworks to Drive Sustainable Growth through Human Resource Capabilities

To ensure sustainable growth in a low-growth environment marked by an oil crisis, a declining birthrate, and an aging population, we implemented a series of initiatives under our “Z Strategy,” which outlined our future direction across all aspects of management. In the area of human resources, we introduced various systems based on our belief that “our people and our integrated strength are our greatest competitive advantage,” focusing not only on seniority but also on maximizing the capabilities of all employees from a long-term perspective. Through these efforts, we translated the concept of “developing our people” into structured systems, laying the foundation for our subsequent talent management practices.



Changes in the Workforce and in Japanese Companies

The end of high economic growth

Maturation and stagnation of Japanese-style management

Shift from quantity-driven to quality-focused growth

- ▶ Strengthening global competitiveness through company-wide quality improvements
- ▶ Gradual weakening of the seniority-based system amid organizational expansion and limited advancement opportunities
- ▶ Introduction of ability-based HR systems, which did not lead to substantial transformation

01 Deployment of the Z Strategy to Shape the Future through Full Mobilization of the Workforce

Launched in 1977, the Z Strategy set out the company’s future direction across all aspects of management, with the aim of fully mobilizing its workforce in preparation for an aging society in a low-growth environment. A defining feature of the Z Strategy was its long-term, forward-looking perspective, which went beyond immediate business needs to outline how to fully engage and mobilize all employees. This philosophy was also reflected in organizational reforms. In 1981, traditional terms such as “Section” and “Section Manager” were replaced with “Team” and “Team Leader.” Moving away from a rigid, management-centered structure, we promoted a more flexible, work-oriented organization and introduced initiatives to empower employees, guided by a long-term, big-picture perspective.

03 A Long-Term Perspective on Securing and Developing Talent: Continued Recruitment and Systematic Training

In the 1970s, we expanded off-the-job training beyond one-off initiatives and established a strategic talent development framework linked to recruitment and placement. In 1973, we institutionalized the practice of dispatching employees to leading business schools in Europe and the United States, alongside overseas and level-specific training programs. We also introduced a structured development program for young employees, enabling the systematic accumulation of diverse experience. Recognizing that reducing hiring during downturns can create future talent gaps and weaken organizational vitality, we built, in alignment with our approach to human resource oversight, an integrated system that continuously develops and deploys talent across recruitment, training, and placement.

02 Transition from a Position-Based System to a Qualifications-Based System

In 1971, we abolished our position-based system and introduced a new human resource framework centered on employee qualifications. Under this approach, positions were defined strictly as roles, while promotions were determined based on qualifications, independent of assigned roles. This reform marked a shift away from a system in which compensation and placement were tied to the timing of position availability, toward one that institutionalized merit-based management. At the time, many companies were introducing ability-based qualification systems for similar reasons. However, while such systems were often implemented alongside existing position-based structures, we set ourselves apart by fully eliminating the position-based system. During this period, we also established the foundation of our current talent management framework, linking recruitment, placement, development, and evaluation in an integrated manner.

04 Strengthening Management and Integrated Functions: Review of the Highest Decision-Making Body

As Japan transitioned from a high-growth to a low-growth period, rapid globalization was accompanied by structural changes across industries. To respond effectively to this evolving environment and restore organizational vitality and growth, we undertook comprehensive reforms of our management structure in 1982. We strengthened the highest decision-making body by establishing a committee structure led by the Executive Committee. In addition, three specialized committees—business planning, human resources, and investment and financing—were created to enable more focused and strategic discussions in each area. The Head Office was also reorganized into six business groups, and the roles and responsibilities of officers and division COOs were clearly defined. Through these measures, we enhanced alignment between strategy and execution and strengthened the integrated functions of management.



Amid a slowdown in the Japanese economy, we translated our belief that “our people and our integrated strength are our greatest competitive advantage” into a concrete qualifications-based system, rather than leaving it as a statement of principle. In addition, by continuing to recruit even during economic downturns and establishing a consistent, systematic framework across recruitment, placement, and development, we have continued to cultivate and empower our people from a big-picture, long-term perspective—an approach that underpins our sustainable growth today.

Alignment of Management and Human Resources to Sustain Organizational Vitality during Industry Downturns

Amid an increasingly challenging business environment, including the recession triggered by the strong yen following the Plaza Accord and the collapse of Japan’s bubble economy, we began restructuring our commercial rights under the K-PLAN management plan. While refining our business portfolio, we focused on expanding minority investments in upstream and downstream sectors and enhancing our value-added functions as a global integrated business enterprise. From a human capital perspective, we also strengthened our organizational structure and reallocated resources in close alignment with management priorities. Through these efforts, we implemented a range of measures designed to sustain organizational vitality, even in a challenging business environment.



Changes in the Workforce and in Japanese Companies

Expansion and subsequent collapse of Japan’s bubble economy

Company survival threatened

Exploration of new management models

- ▶ Difficult management decisions, including restructuring and hiring freezes
- ▶ Disruption at the frontlines and declining morale following the rapid introduction of performance-based systems

01 Balancing Workforce Revitalization and Retirement Age Extension

At this time, we faced the dual challenge of revitalizing our workforce while extending the retirement age. In response to an aging society and changes in the pension system, it became necessary to raise the mandatory retirement age from 55 to 60. At the same time, this shift risked diminishing organizational vitality. To balance the effective utilization of highly experienced employees with the continued employment of emerging talent, we introduced mandatory retirement ages for executive and managerial positions, lowered eligibility thresholds for early retirement programs, and established a reemployment framework. Through these initiatives, which combined thoughtful system design with appropriate financial incentives, we transformed the extension of the retirement age from a reactive measure into a strategic mechanism for sustaining organizational vitality.

02 Introduction of Meritocracy with Performance-Linked Compensation and Reform of the Qualifications-Based System

During this period, there was a significant shift in how talent was utilized and evaluated. The introduction of performance-linked compensation shifted evaluation criteria from sales volume to profitability, aligning closely with the product division system, under which each division is responsible for its own profit. We also promoted the rejuvenation of executive leadership by tightening promotion criteria, lowering the age for appointment to management positions, and establishing structured promotion pathways. In addition, we expanded the scope of selection systems for mid-career employees and revised the job classification framework to ensure that appointments were based on ability and contribution. Through these efforts, we advanced workforce rejuvenation and laid the foundation for a merit-based culture.

03 Enhancement of Human Resource Functions: Establishment of Human Link Corporation

To strengthen and streamline our human resource functions, we explored the outsourcing of administrative tasks. At the time, however, no specialized providers were capable of supporting these needs. As a result, we established our own outsourcing entity and transferred these functions to it. This led to the creation of Human Link Corporation. Human Link operates as a functional subsidiary, entrusted with select human resource operations. From its inception, it was designed as a profit center, leveraging the expertise and capabilities developed through its operations to serve external clients and expand its business.

04 Continuous Investment in Talent Development: Strategic Development and Strengthening Business Leaders

Despite a challenging business environment, we continued to invest in talent development and implemented a range of initiatives. Since 1983, our organizational vitality survey has helped visualize the impact of system reforms and the effectiveness of executive leadership, serving as a foundation for the continuous assessment of employee awareness. In 1994, we introduced the Career Development Program (CDP), integrating placement and development by promoting systematic job rotations and the accumulation of experience for junior employees. In addition, we established the MC Management School to provide intensive training for senior management candidates, with a focus on cultivating a global management perspective.



Developing Our People: From Past to Present

Amid a challenging period for trading companies, rapid changes in the business environment made it necessary to restructure management and organizational frameworks, refine our business portfolio, and enhance value-added functions. Rather than defaulting to short-term streamlining measures, we took a disciplined and balanced approach, addressing the dual challenges of workforce revitalization and retirement age extension, while establishing a new company to enable more advanced outsourcing of human resource functions. These experiences have shaped our commitment to pursuing practical, actionable solutions, balancing the complex and evolving demands of society with our approach to developing our people.

Human Resource System Reform Aligned with the Shift to a Business Investment Model

The 2000s marked a full-scale shift in our business model from trading to business investment. As part of this transition, we began revising our human resource systems under the MC2000 management plan. We implemented reforms based on six principles, with the aim of building a professional organization recognized by customers and markets. Under MC2003, we subsequently introduced the business unit (BU) system. In the 2010s, we further advanced human resource initiatives with a stronger focus on consolidated and global management to support the company through a period of transformation.



Changes in the Workforce and in Japanese Companies

Prolonged economic stagnation and intensifying global competition

Shift toward sustainable growth models

Rebuilding of management model

- ▶ Strategic development of next-generation leaders and increased focus on talent management
- ▶ Rebuilding of systems following a reassessment of performance-based practices
- ▶ Growing emphasis on job satisfaction and employee well-being



01

Introduction of Job-Based Roles and Market-Based Compensation: New HR System in 2000

The human resource system introduced in 2000 fundamentally overhauled the existing qualifications-based framework by incorporating job-based roles and market-based compensation. Moving beyond a uniform, one-size-fits-all approach, the new system enabled non-hierarchical, flexible treatment based on performance and roles. The objective was to build a globally competitive professional corporate group. Under this system, ambitious junior employees were given opportunities to take on challenges at an early stage. This marked a shift from a culture that emphasized generalization to one that encourages autonomous growth, supported by the development of specialized expertise and the ability to deliver results. At the time of its introduction, some expressed concerns regarding the transparency of pay increases and promotions, as well as the potential impact of a performance-based system. There were fears that it might motivate only a select group of employees while disincentivizing others. In response, we revisited the six principles established at the system's launch and made adjustments as needed, including partial refinements to the qualifications-based framework. At the same time, we promoted understanding of the system to ensure it remained meaningful and effective in practice. Beyond the compensation system, the new system introduced mechanisms to optimize the overall talent portfolio. We expanded early retirement programs and strengthened support for reemployment, while encouraging employees to pursue meaningful second careers and enabling the efficient reallocation of organizational resources. Aligned with the BU system introduced under the MC2003 management plan, we implemented bold measures, such as lowering the average age of general manager positions, to strengthen competitiveness in response to a changing business environment.

Note: See page 13 for details on the six principles of the new human resource system.

02

Organizational Revitalization and Fostering a Sense of Urgency: Employee Awareness Surveys and Transition to the BU System

Since the 1980s, we have conducted regular employee awareness surveys to assess organizational vitality and culture, supporting both organizational improvement and talent development. The surveys have helped to visualize workplace morale, leadership effectiveness, and communication challenges. Amid growing recognition of the need for faster decision-making and greater delegation of authority to maintain our competitive advantage, we introduced the BU system under MC2003. Under this model, small units directly overseen by the Head Office were established as the basic organizational structure, with responsibility for profit and loss as well as human resources, enabling faster decision-making and more autonomous operations. Recognizing the increased importance of front-line leadership following the introduction of the BU system, we conducted two company-wide employee awareness surveys. The insights gathered were used to assess how well management strategies and key initiatives had been embedded across the organization and to identify areas requiring further action.

03

Expanding Talent Development: A Consolidated Global Approach

As we transitioned to a business investment model, we expanded the scope of talent development from a standalone approach to a consolidated global framework, launching initiatives to strengthen the competitive capabilities of the entire Group. To support this, we established GlobalMC, which centrally manages the assessment, development, deployment, and placement of core talent on a consolidated, global basis. By introducing compensation guidelines for cross-company and cross-border transfers, we created a foundation for the seamless circulation of talent across the Group. In addition, we expanded eligibility for short-term business school programs, further enhancing development opportunities. Even as we advanced company-wide efficiency measures, we continued to increase investment in talent development, building a pool of individuals capable of operating autonomously on a global scale.



Developing Our People: From Past to Present

Even amid business model transformation and concerns surrounding the new human resource system, we remained firmly committed to our core belief that "our people and our integrated strength are our greatest competitive advantage." We have worked to leverage the new human resource system to develop professional talent, while advancing faster decision-making and greater empowerment through delegation of authority under the BU system—an approach grounded in our trust in our people, enabling greater autonomy and the full realization of their potential.

Strengthening Adaptability to Meet Diversifying Social and Business Demands

Since the 2010s, we have transitioned our business model from investment to management. This shift has coincided with rising societal expectations and increasingly diverse employee values, contributing to greater complexity in management. In response, under Midterm Corporate Strategy 2021, we introduced a new human resource system designed to develop management talent capable of driving value creation within individual businesses. In addition, anticipating further complexity, we have strengthened our human resource and organizational capabilities to better respond to change. This includes the formulation of MC HR Vision DEAR as a guiding framework for advancing transformation in our own way.



Changes in the Workforce and in Japanese Companies

Impact of the COVID-19 pandemic and the advancement of DX

Growing need for agile responses to rapid change

Job-based human capital management

- ▶ Irreversible changes in work styles driven by the expansion of remote work
- ▶ Accelerated support for individual, self-directed retraining

01 Transformation into a Group of Management Professionals: New HR System in 2019

In 2019, we implemented major system reforms to transition from a group of industry professionals to a group of management professionals. To continuously develop the management talent required to execute our business management model, we established four key policies, defined three career stages, and positioned our human resource systems and initiatives around these stages as a core framework. As part of this transformation, we introduced a hybrid system combining elements of both qualifications-based (ability-based) and job-based approaches. This system determines compensation based on management job grades that reflect the scope and responsibilities of each role. At its core is the MX system, under which employees in management job grades with significant responsibilities at the consolidated level are assigned to a separate job category and become available for company-wide deployment. To support the optimal, centralized deployment of MX talent across business boundaries, we also focused on increasing transparency around both personnel and job responsibilities. Together, these efforts established a company-wide framework for talent development and strategic deployment.

03 Increasing Fluidity through Dynamic Human Resource Placement

We have accelerated the development of agile organizational structures and more dynamic allocation of human resources to enable rapid responses to changes in the business environment. Under Midterm Corporate Strategy 2024, we established a task force-based organizational model to drive the integrated promotion of EX and DX. As part of this effort, human resources were reallocated from relevant business groups to thematic task forces in units of approximately 100. Building on this approach, under Midterm Corporate Strategy 2027, we have continued to support management strategy from both organizational and human resource perspectives through the establishment of specialized offices and task forces. These include the Capital Alliance Office, which leads partnerships with financial players; the Corporate Venture Capital (CVC) Office, which connects emerging start-up technologies and business models with our expertise and networks; and the AI Solution Task Force, which addresses AI-driven changes across industries by leveraging our strengths in industry-based operations.

02 Our Long-Term Policy: MC HR Vision DEAR

In 2024, we formulated MC HR Vision DEAR as a long-term policy to support resilience beyond short- and medium-term management plans. Amid a period of significant change, our aim is to remain an attractive company by securing and retaining talented individuals, developing the next generation of leaders, and continuing to create value. To achieve this, we moved beyond isolated initiatives and established DEAR to bring greater consistency and clarity to the overall approach to developing our people. Through the concept of DEAR—diversify, energize, accelerate, and reward—we articulate our commitment to addressing diverse societal demands in an uncertain environment. At the same time, it reflects our intent to uphold what must be preserved, embrace transformation, and foster strong connections that enable our people to continue evolving.

04 Steady Investment in Talent: Continued Recruitment through Economic Downturns

We have consistently positioned recruitment as a cornerstone of our management approach. In the early 2000s, we temporarily scaled back new graduate recruitment; however, in the latter half of the decade, we expanded it again to ensure a strong pipeline of future talent. Following the global financial crisis of 2008, while many companies reduced recruiting, we maintained stable new graduate hiring, carefully monitoring the business environment and long-term outlook to preserve our ability to respond to change. In recent years, under MC HR Vision DEAR, we have further strengthened our approach through initiatives such as diversifying recruiting approaches. These efforts include promoting multi-track new graduate hiring and expanding mid-career recruitment, including second-career hires. Through these continued efforts, we are building a talent base with a long-term view toward the future.



Developing Our People: From Past to Present

Amid major trends such as the introduction of job-based systems and a greater focus on human capital management, we have pursued a hybrid human resource management approach that leverages our unique strengths, rather than simply adopting models from Europe and the United States. We have also established MC HR Vision DEAR, a 10-year framework that guides our transformation based on our own long-term perspective. Together, these efforts reflect our commitment to identifying the underlying essence of challenges and developing practical, effective solutions. They also underscore our approach to developing our people, grounded in a broad, long-term view.

Strategic Human Resource Development and Investment in Human Capital

At its core, talent development at MC is grounded in on-the-job training (OJT), a practice we have upheld consistently since the introduction of the product division system. Through this approach, employees gain diverse, front-line experience, enabling the rigorous development of their skills over the long term. We have continued to evolve this model, strengthening systems to enhance the scalability and consistency of OJT while maintaining a strong commitment to investing in our people. At the same time, we promote off-the-job training to further support the growth of employees on the front lines.

Note: See 04 on page 5

Building a Development Foundation as a Strategic Investment: Establishing Systems for Overseas Expansion

Talent development at MC has long been centered on a comprehensive, individual-focused approach. We provide employees with diverse and challenging front-line experiences, supported by guidance and mentorship from colleagues, including through the instructor system. With the establishment of the product division system in 1968, we created a framework for oversight of human resources, clarifying responsibility for the development of employees within each division. This marked the beginning of a firmly rooted culture of long-term talent development. Today, each business group oversees its own human resources, enabling broader front-line experience and further strengthening our talent development model. To complement on-the-job training, we actively promote off-the-job training and have worked to systemize these efforts to accelerate the application of skills gained on the front lines. One early example is our overseas language program, which began in 1958. Introduced just four years after the Great Merger, the program initially sent employees to Cairo to study Arabic, reflecting the company's forward-looking approach to global expansion. The program expanded significantly over time, encompassing 16 languages and approximately 300 participants by 1985.

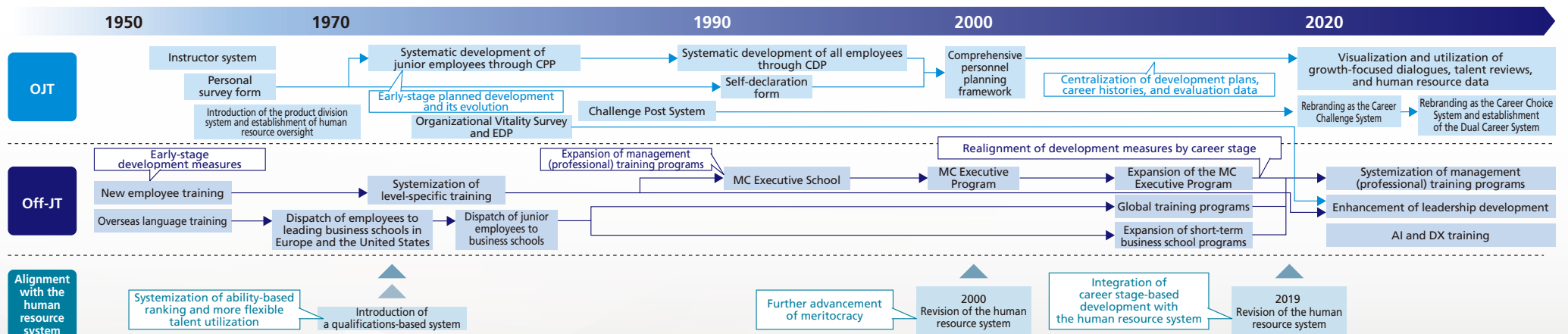
In 1970, we began dispatching employees to leading business schools in Europe and the United States, establishing a structured approach to overseas and level-specific training. This effort was formalized in 1973 as a business school training program for young employees. Focused on cultivating a global perspective, advanced management capabilities, and strong problem-solving skills, these programs have helped develop talent capable of leading global business, including through engagement with executive candidates from European and U.S. companies. In 1977, we launched the Career Path Program (CPP) to further support the development of junior employees. Under this program, each division created specification sheets outlining ideal talent profiles and clearly defining the type, content, and duration of assignments. This served as the foundation for systematic capability development through structured transfers. In parallel, we recognized the importance of incorporating individual factors such as personal preferences, health conditions, and family circumstances to ensure appropriate assignments. In 1962, we introduced the personal survey form, later integrated with the transfer system and renamed the self-declaration form. Today, it remains an integral component of our strategic talent development process.

Toward More Strategic Talent Development: Integration of Placement, Training, and Management Development

From the 1980s, we advanced a more strategic approach to talent development. In 1983, we introduced the Organizational Vitality Survey, followed by the Executive Leadership Development Program (EDP) in 1988. These initiatives enabled us to visualize executive leadership capabilities, provide structured feedback, and promote continuous self-improvement. We also began applying the PDCA cycle to leadership development, and in 2002 introduced an employee awareness survey covering areas such as organizational climate and corporate culture. In 1993, we established the Talent Mobility Committee and the Abilities Development Committee, followed by the introduction of the Career Development Program (CDP) in 1994. As part of this effort, we implemented a company-wide policy requiring employees to transfer at least once within nine years of joining the company, with a maximum of five years in any single role. This strengthened our ability to systematically develop junior talent. We also introduced tools to visualize individual growth, including the aptitude observation sheet. Moreover, in the same year we launched MC Management School to provide intensive training for selected senior management candidates. Through these initiatives, we built an integrated talent development system spanning early-career employees through senior executives.

With the introduction of a new human resource management system in 2000, we adopted a comprehensive personnel planning framework that centralized key information, including career history, skills, performance evaluations, and career aspirations. By making this information visible to both supervisors and employees, we aimed to enhance fairness in evaluations and enable more tailored development plans.

Furthermore, under the human resource system introduced in 2019, we clarified development frameworks by career stage and further systematized programs for cultivating management professionals. We also introduced the Growth Dialogue initiative, separating performance evaluation from development discussions to encourage more open and constructive engagement. Even amid a challenging business environment, we have remained committed to investing in talent, guided by our belief that people are our greatest competitive advantage.



Promotion of Human Resource Systems for Organizational Vitality

To address structural challenges arising from organizational growth, including limitations on available positions and promotion bottlenecks, we introduced a qualifications-based system that separates position from compensation. The system has continued to evolve in response to changes in the business environment. By enabling more flexible, merit-based talent utilization rather than relying solely on position, we have sought to sustain and enhance employee motivation.

Evolution and Limits of Systems Under the Base Salary and Position-Based Framework

From the Great Merger in 1954 through the 1960s, MC expanded steadily alongside Japan's period of high economic growth. However, both within the company and across Japanese society, the number of available positions proved insufficient relative to the size of the workforce, revealing inherent limitations in position-based promotion management.

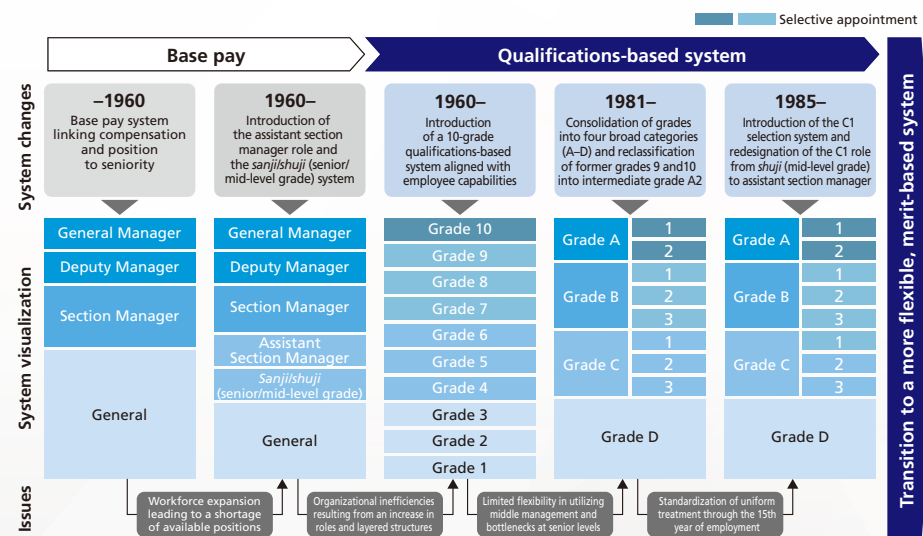
To address these constraints, we introduced the assistant section manager system in 1960, followed by the *sanji/shuji* system (senior and mid-level grades) in 1961, and increased base salary levels in 1965. While these measures may appear incremental, they were part of a broader effort to identify practical solutions through trial and error in anticipation of continued organizational expansion. The *sanji/shuji* system, in particular, introduced a status classification independent of position, serving as a precursor to the qualifications-based system. At the same time, several challenges became apparent. These included the tendency to categorize all employees above a certain salary level as *sanji* (senior grade), as well as growing organizational inefficiencies caused by a proliferation of mid-level roles and increasingly layered structures.

In 1968, we began exploring the creation of a fundamentally new personnel system, although this concept did not gain immediate acceptance. A central issue was the inseparable linkage between position and compensation, which limited flexibility in talent management. These discussions ultimately led to the introduction of a qualifications-based system in 1971, which formally separated qualification (grade) from position. This framework emphasized the assignment of the right individuals to the right roles. At the time, positions such as department manager and section manager carried significant internal and external status, raising concerns about potential confusion under a system that decoupled qualification from position. Nevertheless, we determined that such separation was necessary, representing a distinctive departure from prevailing practices. Under the new system, compensation shifted away from a base salary determined primarily by years of service to one more directly aligned with current performance evaluations. While employees could still advance to a certain grade based on tenure, further progression required selection through a more rigorous evaluation process.

Issues and Evolution of the Qualifications-Based System: Adapting to the Low-Growth Era

The qualifications-based system evolved over time in response to changing management conditions. In 1977, we launched the "Z Strategy" in anticipation of a low-growth era. As part of this initiative, we proposed consolidating middle management positions to enable more flexible utilization of talent. In 1981, we overhauled the qualification classifications for general employees, replacing the grade 1–10 system with grades A–D and introducing an intermediate grade (A2) to reclassify employees previously in grades 9 and 10. These reforms revitalized the general manager class and promoted greater lateral mobility among middle management.

In 1985, we introduced the C1 selection system to enhance competitiveness among junior employees. This system eliminated uniform treatment during the first 15 years of employment, which had been criticized externally as overly lenient, and established a framework for selectively promoting approximately 25% of employees in their 11th year. In 1993, further reforms advanced the selection timeline to the 10th year, and the designation of the C1 grade was revised from *shuji* (mid-level grade) to assistant section manager. We continued to refine the system to improve external clarity and to provide junior employees with a clearer sense of progression. In this way, over more than a quarter century since its introduction, the qualifications-based system evolved into a framework that supports merit-based advancement across the organization.



A Frontrunner in Strategic Human Resource Outsourcing —Establishment and Current Status of Human Link Corporation

Human Link Corporation was established to streamline and enhance human resource functions while creating value for external customers. From the outset, it was envisioned not merely as a functional subsidiary, but as a profit center with external sales capabilities. The concept was to standardize human resource operations and deliver them as external services. This initiative transformed what could have been a simple cost-reduction effort into a business opportunity, while simultaneously strengthening internal capabilities. In doing so, it became a strategic outsourcing model for HR services, exemplifying our core belief that “our people and our integrated strength are our greatest competitive advantage.”

Global Human Resources Department as a Strategic Partner to Management and Transformation into a Profit Center

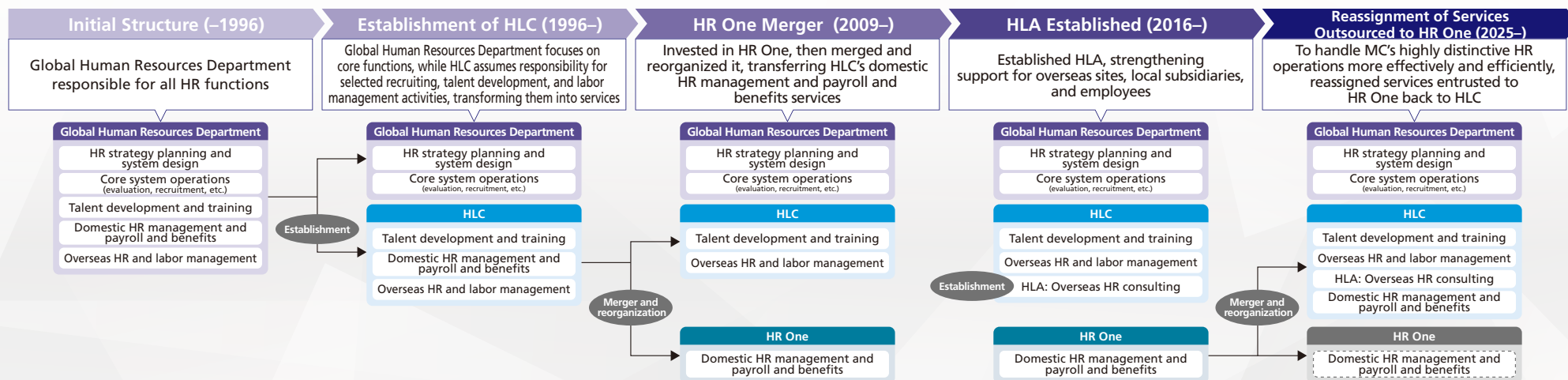
In 1996, we adopted a management policy focused on streamlining functional roles and began reforming the human resources function. As part of this effort, we established Human Link Corporation (HLC) as a wholly owned subsidiary. This created a structure in which the Global Human Resources Department focuses on higher-value functions, including human resource strategy, system planning, and core system operations, while standardized functions such as payroll, social insurance administration, and training logistics are outsourced to HLC.

A distinguishing feature of this initiative was that HLC was designed not merely as a functional subsidiary, but as a profit center. By leveraging the knowledge and expertise developed through its services, HLC was positioned to cultivate external customers. Functions such as payroll processing, overseas assignment procedures, and level-specific training design incorporate elements common across Japanese companies and are not unique to MC. By standardizing and packaging these capabilities, refined through MC’s experience, we were able to deliver value to other organizations. HLC’s founding principles explicitly emphasized its role as a profit center, with a focus on developing external clients, including MC-affiliated companies, industry peers, and Mitsubishi Group companies. This approach clearly differentiated the initiative from conventional outsourcing.

Commercialization of Expertise and Expansion across Global Operations

Following its establishment, HLC worked to expand its business scope. In 2009, we invested in the HR services outsourcing company Human Resource Management Service & Consulting Co., Ltd., whose principal shareholders included The Sumitomo Trust and Banking Co., Ltd., Panasonic Corporation, and Kao Corporation. The company was subsequently merged and reorganized. As a result, HLC’s domestic human resource management, payroll, and benefits operations were consolidated into HR One Corporation. By separating operational services from consulting functions, we enhanced the specialization and expertise of each. Today, HR One provides payroll and social insurance services for approximately 300 companies, extending beyond the MC Group, and has established a strong reputation for reliability.

In 2016, Human Link Asia Pte. Ltd. (HLA) was established in Singapore. We have established a structure to support overseas operations, local subsidiaries, and employees of Japanese companies expanding across Asia and beyond. We provide end-to-end support, from the formulation of corporate philosophies and business plans to the design and implementation of human resource strategies. In 2025, to more effectively and efficiently manage HR operations that are highly specific to MC, certain human resource management, payroll, and benefits functions previously outsourced to HR One were reassigned to HLC. The shift was intended to ensure more precise execution of strategies and systems, while enabling closer engagement with employees, based on our belief that human resource and organizational management are foundational to corporate performance.



Human Resource System Reforms in 2000 to Drive Organizational Transformation

Amid the shift toward a business investment model, we fundamentally rebuilt our 30-year-old human resource system to develop professionals capable of competing at a high level in each market. This reform was guided by six basic principles: a flatter organizational structure; a departure from tenure- and age-based practices; a stronger emphasis on performance; the elimination of uniform treatment; the adoption of market-based compensation; and the introduction of a contract-based framework.

Transition to a Professional Organization Valued by Customers and Markets

In 2000, the business environment underwent significant change, driven by economic globalization and rapid advances in IT and the internet. In response to evolving industry value chains, we transformed our business model, accelerating business investment beyond traditional trading and expanding into business management. Accordingly, expectations for employees also shifted toward professionals capable of delivering strong results, supported by knowledge, experience, and execution capabilities highly valued by customers and markets in each business field. However, the existing human resource system, which had been in place for 20 to 30 years, had become increasingly misaligned with these changes. After several years of deliberation, we decided to implement a large-scale reform.

This reform was guided by six basic principles. A flatter organizational structure enables dynamic talent utilization across broader pools, while moving away from tenure- and age-based practices eliminates seniority-driven hierarchies. Emphasizing performance places greater weight on results, capacity, and aptitude, while eliminating uniform treatment allows differentiation based on roles, responsibilities, and contributions. Market-based compensation ensures that pay is continuously aligned with responsibility and performance, and the adoption of a contract-based framework fosters a more flexible relationship between the company and its employees. Based on these principles, we pursued a fundamental transition away from the traditional Japanese HR model centered on seniority and uniformity, toward a more performance-oriented, market-responsive system.

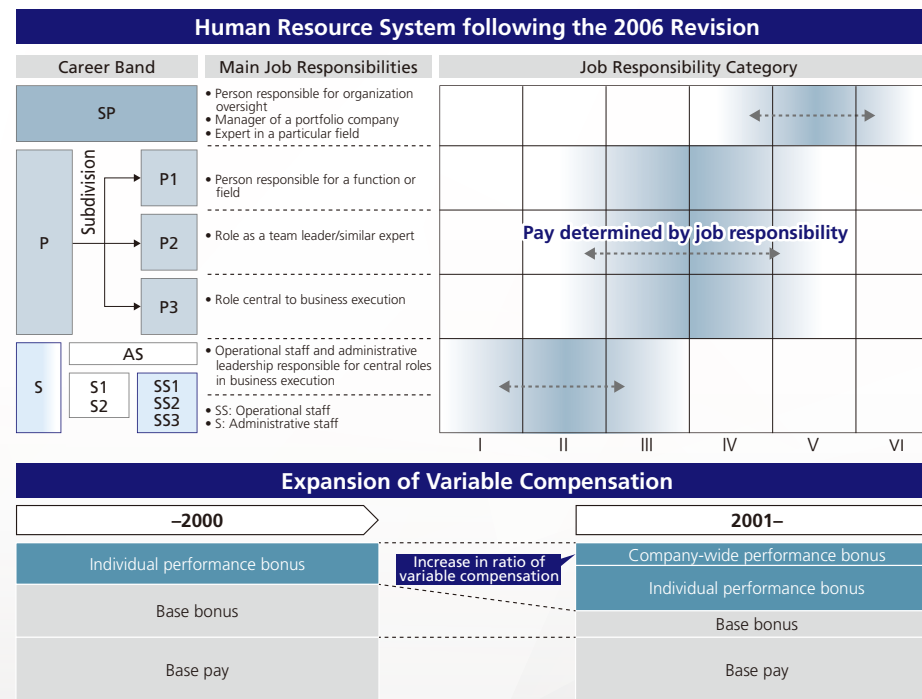
System Reform to Realize Market-Based Compensation

To operationalize the six principles, three major system reforms were implemented.

The first was the introduction of a job responsibility classification system. To ensure compensation aligned with the market value of each role, all positions were evaluated across six levels of job responsibility, with the results reflected in base salary. Importantly, this framework evaluated roles rather than individuals. Within a matrix combining qualification level and job responsibility, base pay was adjusted accordingly, with higher-responsibility roles set at approximately 110% and lower-responsibility roles at 90% within the same qualification level. This enabled both flexible placement and fair compensation.

The second reform was the consolidation of qualification levels. The previous multi-tiered structure was reorganized into three categories: senior professional (SP), professional (P), and staff (S). In 2006, the professional category was further subdivided into P1, P2, and P3. While the initial consolidation into a single P category supported greater flexibility in workforce allocation, feedback indicated that employees found it difficult to visualize career progression and understand their relative position within the organization. The introduction of a tiered structure from P3 to P1 clarified advancement pathways, enabling high-performing employees to be formally recognized and take on larger responsibilities. This evolution strengthened the system's ability to foster growth and enhance motivation.

The third reform was a significant increase in the proportion of variable compensation. Total annual compensation was structured around three elements—base pay, an individual performance bonus, and a company-wide performance bonus—with additional pay reflecting individual contributions and bonuses tied to company performance. Notably, the proportion of variable compensation was set higher for employees at higher qualification levels. This reinforced accountability for results among those with greater responsibility and established a system in which individual contribution and company performance were directly reflected in compensation.



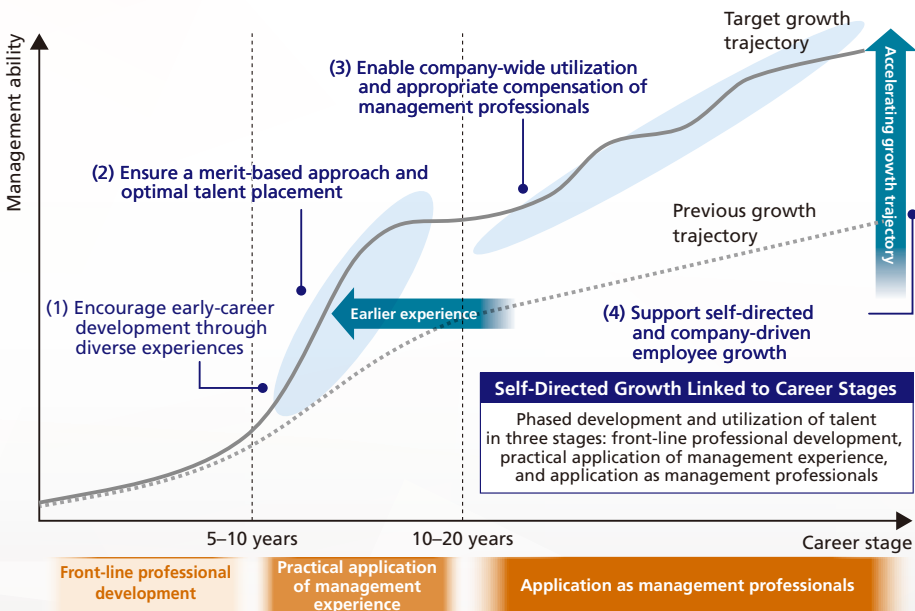
2019 Human Resource System Reforms—Transition from a Professional Workforce to Management Talent

As our business evolved from an investment model to a business management model, the ideal talent profile shifted from industry professionals to management talent. Our human resource system evolved accordingly, with a focus on developing individuals who bring a management mindset and are committed to enhancing business value. The system is structured around three career stages and four key policies.

Three Career Stages and Four Key Policies Supporting Phased Growth

The year 2019 marked a major turning point in our human resource system. While the 2000 human resource system reform—aimed at building a professional organization highly valued by customers and markets—delivered solid results, the continued shift toward a business management model created a growing need to more systematically develop management talent.

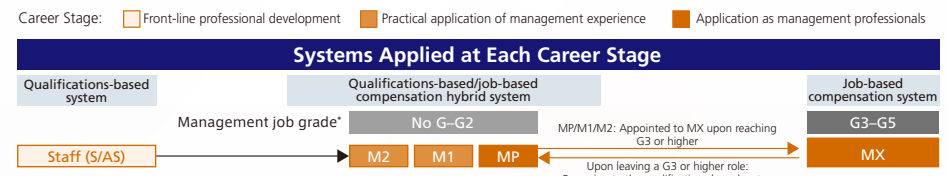
The core objective of the 2019 reforms was to cultivate talent with advanced management capabilities who could drive growth under the business management model. This was achieved through a framework structured around three career stages and four key policies. We established a phased growth model comprising three career stages: “front-line professional development,” “practical application of management experience,” and “application as management professionals.” The four key policies were (1) Encourage early-career development through diverse experience; (2) Ensure merit-based, optimal talent placement; (3) Enable company-wide utilization and appropriate compensation of management professionals; and (4) Support both self-directed and company-driven employee growth. These reforms were positioned to enhance both the quantity and quality of management talent.



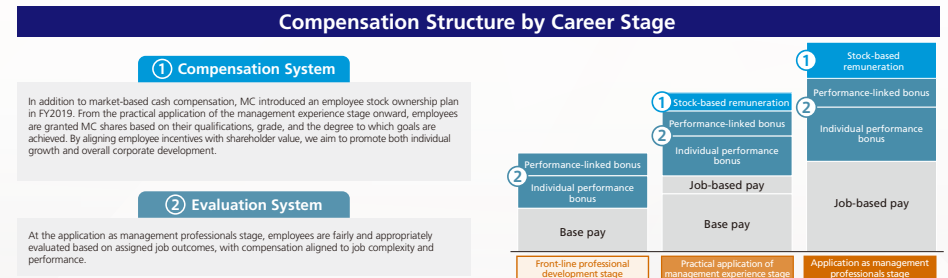
Introduction of Hybrid Human Resource and Compensation System

To realize the four key policies, we implemented a set of fundamental reforms.

The most distinctive of these was the introduction of a hybrid system combining a qualifications-based framework with a job-based compensation system. While maintaining the existing qualifications-based system, we introduced a management job grade structure (G1–G5) to evaluate each position based on factors such as business scale, function, and role. Employees appointed to highly challenging roles at G3 or above are transitioned to MX (job-based compensation system) status, which is separate from qualification levels. This approach supports optimal talent placement by enabling selection based on job requirements and level of difficulty. The compensation system was also significantly revised, including the introduction of an ESOP for level M and above, linking medium- to long-term corporate value with individual growth. In talent development, we introduced the Growth Dialogue initiative and talent review processes. We separated assessment and development dialogues and, in addition to conventional performance evaluations, created structured opportunities for employees to reflect on their career vision as well as their strengths and areas for development. These discussions are supported by 360-degree surveys for managerial employees and peer feedback for non-managerial employees. We also established a framework to share and review each employee’s skill development and transfer preferences across the organization, based on the outcomes of these dialogues. These initiatives encourage employees to take greater ownership of their professional development as future managers. At the same time, they promote the continuous development of management talent by positioning the growth of team members and colleagues as a core responsibility of managers.



* Granted when an employee with a qualification of M2 or higher assumes a management-level role. The management job grade is assigned based on the level of responsibility and complexity of the role and is therefore reviewed upon each transfer or change in position. Changes in management job grade do not constitute a promotion or demotion; rather, they reflect changes in the level of responsibility associated with a role. MX refers to personnel assigned to key positions at G3 or higher who perform critical duties on a consolidated basis.



Back-Office Staff and HR Systems—Supporting Value Creation at MC

Back-office staff have supported our diverse businesses and operations by taking on advanced functions that extend beyond traditional administrative roles. As our business model has evolved from trading to business investment and management, their roles have continued to develop in step with changing business needs.

Back-Office Operations Supporting Business Growth in Line with the Times

Following the Great Merger in 1954, the human resource system operated under a single job category, with roles divided into “general staff category A” and “general staff category B” based on the nature of duties. In 1979, based on the actual nature of assigned work, a new “administrative staff category” was established to ensure appropriate treatment of personnel primarily engaged in administrative and support functions that underpin core operations. This change was intended to enable system design that reflects the specific characteristics of back-office operations by positioning them as a distinct job category, separate from the general staff category responsible for core operations without location restrictions. In conjunction with the introduction of the qualifications-based system for career-track employees, qualification levels were also established for administrative positions. A “bridge system” was introduced to allow employees to apply for transfers to the general staff category in line with their career aspirations, along with the establishment of a “wide-area administrative staff category” to accommodate such transfers. From around this time, the role of administrative staff expanded beyond routine tasks to include broader deployment and more advanced operational responsibilities.

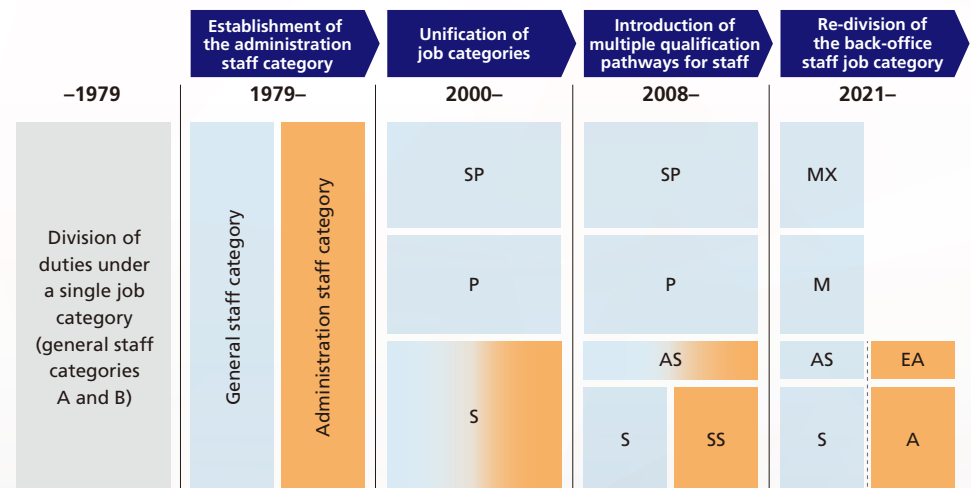
In 2000, as part of human resource system reform, job categories were unified. Under the concept that “all employees should aspire to become professionals,” we clarified our philosophy of providing opportunities and appropriate treatment to capable and motivated individuals. This opened a path for administrative staff to pursue professional roles and transformed the system into one that supports growth and encourages employees to take on new challenges, regardless of job category. In addition, some operations previously performed by administrative staff were transferred to the S level, while tasks suitable for standardization were outsourced or handled by temporary staff as part of broader cost optimization efforts. As a result, S-level employees were increasingly expected to develop capabilities in workflow design and to take responsibility for managing outsourcing partners and temporary staff.

At the same time, following the unification of job categories, and despite the expanded use of external resources and contract employees, a challenge emerged: a shortage of personnel capable of sustainably handling administrative and support functions that needed to remain in-house. In response to the growing demand from back-office employees to further develop their capabilities, multiple tracks were introduced within the S level in 2008, while maintaining a single job category. Under this system, these employees were classified as “business support staff (SS).”

We also ensured that employees with the necessary abilities and aptitude could move beyond the SS-level career path and advance to professional roles (P level and above), enabling career development aligned with individual ambition and suitability.

Under the human resource system reforms of 2019, we redefined career-track employees as “talent with a management mindset committed to increasing business value” and reviewed our expectations for back-office staff accordingly. We also revised the system to clarify the roles and division of responsibilities between career-track employees and back-office staff, with a focus on optimizing operations under the business management model and maximizing productivity. As a result, in 2021, job categories were re-divided, and higher qualification levels were established for the back-office staff category, in addition to the existing system enabling transfers to career-track positions. Today, our back-office staff perform high-level functions while supporting diverse career aspirations. The qualifications-based system has been refined to enable flexible treatment based on individual ambition, suitability, and ability, positioning back-office roles as a job category with diverse career paths.

Back-office operations now span a wide range of functions, including trading execution and oversight, financial management and analysis for investments, and the operation of various corporate systems. Back-office staff also play an important role in cross-organizational coordination and in updating business processes in response to advances in AI. As operations become more sophisticated, the need for adaptability will continue to grow.



Note: Categories corresponding to back-office operations are shown in orange

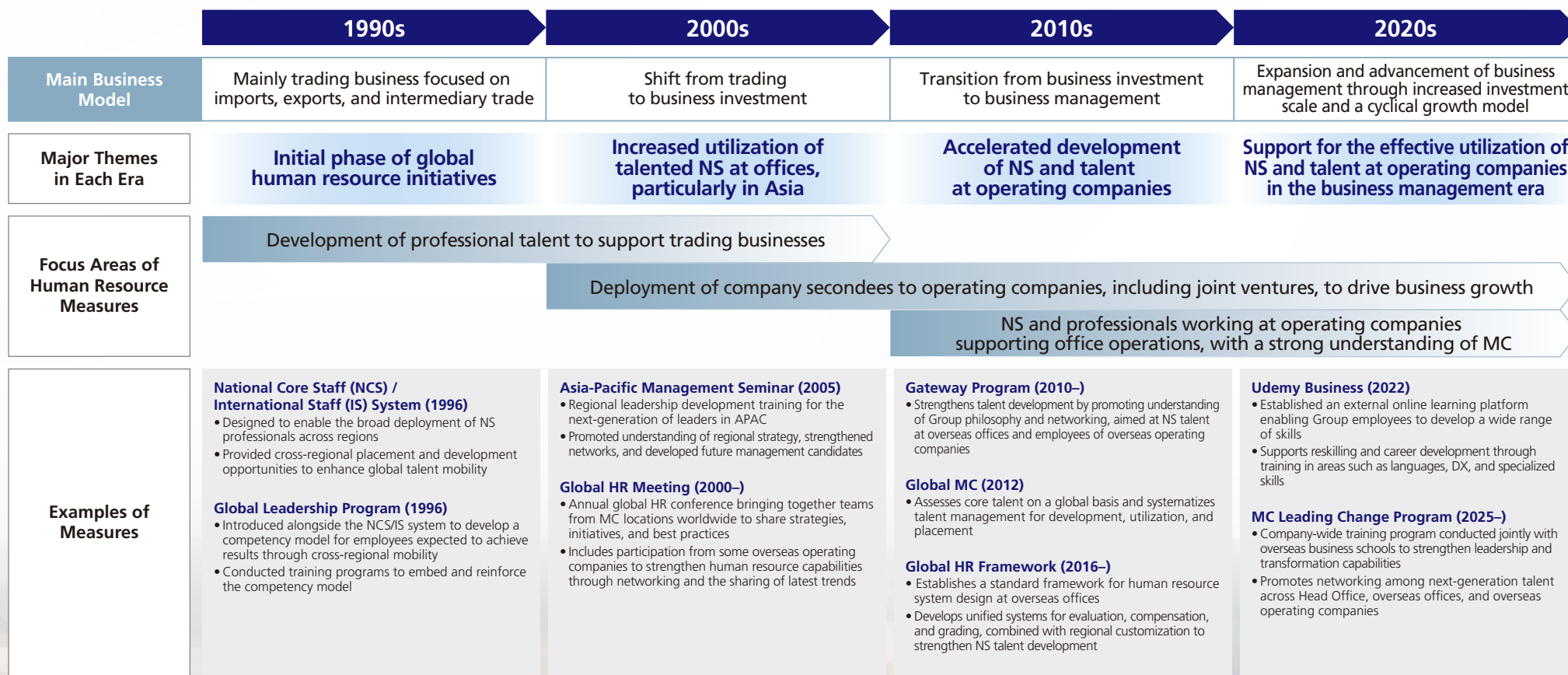
Global Human Resource Initiatives Led by Head Office

The Head Office began implementing concrete global human resource measures in the 1990s, and these efforts have continued to evolve in line with changes in our organizational structure.

Evolution of Global Human Resource Measures: From Strengthening Offices to Developing Business Management Professionals

Our global human resource measures have evolved in response to changes in the business environment and shifting talent needs. In the 1990s, as the importance of overseas offices grew, we established systems to strengthen the capabilities of local national staff (NS) and expand their scope of responsibility. We also recognized that attracting and retaining talented local employees is a key management priority. In the 2000s, against the backdrop of economic growth—particularly in Asia—we accelerated the development of regional talent frameworks. Guided by a policy of developing employees by

empowering them to use their abilities, we worked with overseas offices and local subsidiaries to establish systems that promote talent development on a global basis. In the 2010s, as business investments expanded, the scope of talent development extended across operating companies. We focused on sharing our management philosophy and strategies, while systematically developing candidates for executive roles capable of operating across the Group. Since the 2020s, we have focused on creating an environment that enables NS and talent from operating companies to realize their full potential in business management roles through optimal placement.



Developing Our People—Putting Our Core Belief into Practice

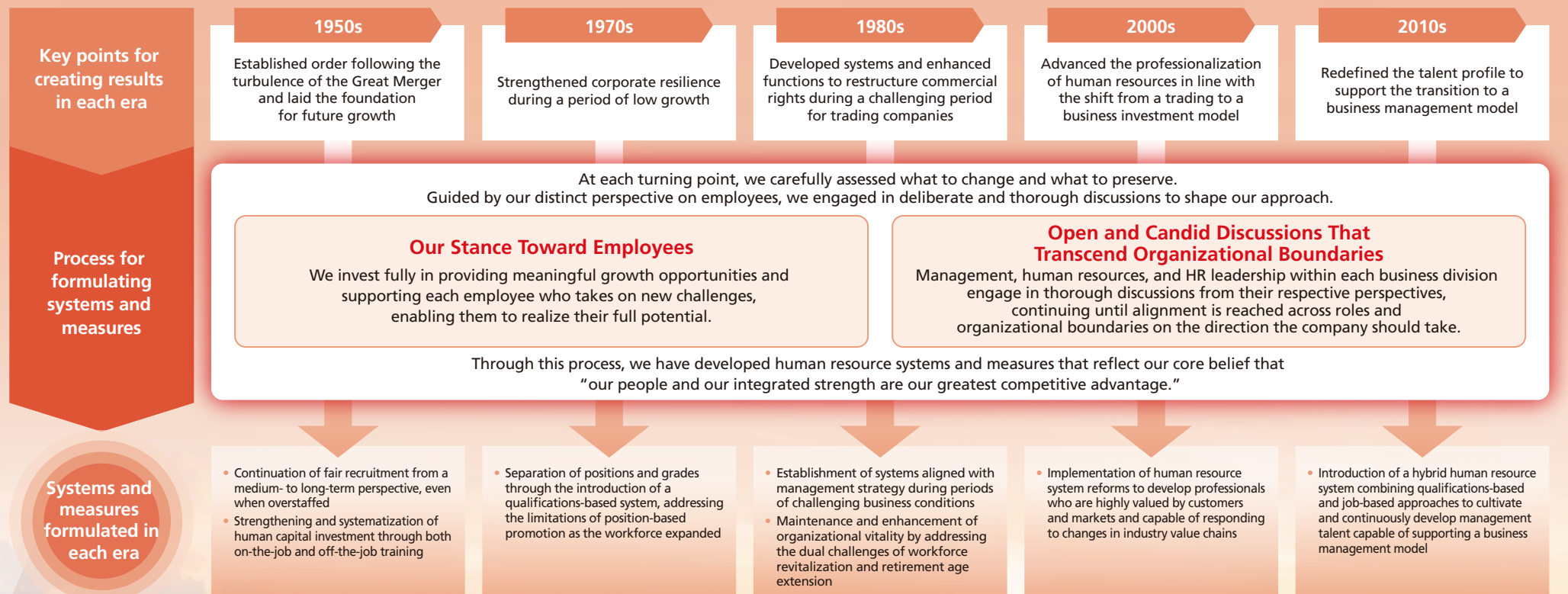
So far, we have outlined our human resource initiatives since the Great Merger, along with the challenges and objectives that have shaped them.

At the core of our approach is a longstanding culture and tradition of nurturing talent and supporting growth through a broad range of work experiences. At the same time, we do not rely solely on on-the-job development. Our approach has been to consistently translate this belief into concrete human resource systems and measures tailored to each era, even as the business and human resource environment continues to evolve.

We remain committed to pursuing this approach to developing our people with sincerity, grounded in this enduring core belief.

Putting into Practice Our Core Belief That “Our People and Our Integrated Strength Are Our Greatest Competitive Advantage”

Over our approximately 70-year history, the business environment and the expectations placed on human resources have continued to evolve in response to the results we seek to achieve as a company.



Even as we respond to evolving internal and external environments, we remain firmly grounded in our core belief. We will continue refining our approach to developing people by carefully discerning what should change with the times and what should be preserved and strengthened.

Developing Our People —Looking Ahead to a New Era

Even in today's rapidly changing business environment and increasingly diverse workstyles, we remain committed to our core belief that "our people and our integrated strength are our greatest competitive advantage," and continue to uphold our approach to developing our people.

In 2024, we formulated MC HR Vision DEAR with the aim of maintaining our appeal as a company—one that brings in and retains outstanding talent while continuously developing individuals who contribute to value creation.

In this section, we outline the principles embodied in MC HR Vision DEAR and present our key initiatives.



Diversify

Optimize talent pool to better leverage diversity across gender, age, nationality, background, etc.

► Page 22



Energize

Create a vibrant, motivating, and dynamic corporate culture

► Page 23



Accelerate

Encourage early-career development and self-growth through diverse experiences

► Page 24



Reward

A competitive and inclusive compensation system that attracts diverse talent, places the right people in the right roles, and reinforces a performance-driven culture

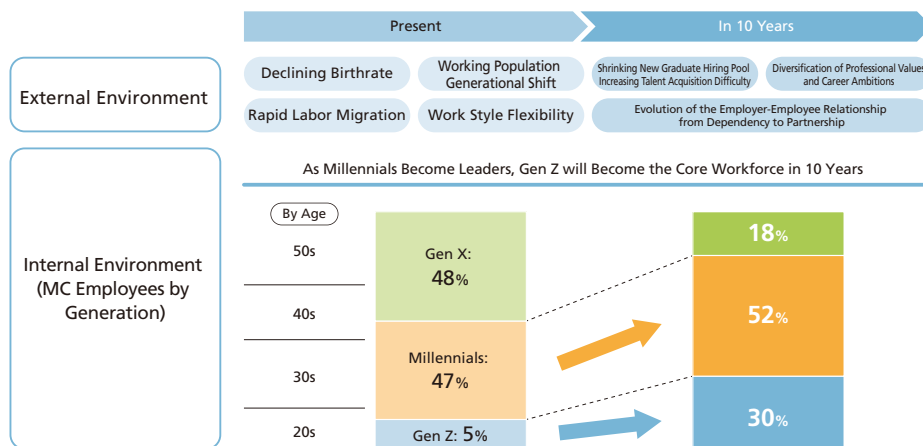
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Internal and External Changes in Today's Human Resource Environment

Over the past 70 years, our human resource initiatives have evolved continuously, shaped by the internal and external environments of each era. Amid the current uncertain business environment, we will continue to drive change for a new era, strengthening our ability to attract and retain outstanding talent and to develop individuals who contribute to value creation. Building on the values and corporate culture shaped by the Three Corporate Principles, we have clarified what must be preserved while committing to change what must evolve. In 2024, we established MC HR Vision DEAR to guide our efforts to develop people and organizations capable of responding effectively to change.

Internal and External Changes in the Human Resources Field

As talent mobility accelerates and employee values become more diverse, the relationship between companies and employees is entering a period of significant transformation. Alongside these external shifts, we also anticipate a large-scale generational transition over the next decade.



Values and Corporate Culture To Be Preserved and Strengthened

In light of these internal and external changes, we reexamined our future vision and articulated the values and corporate culture we have cultivated, centered on the Three Corporate Principles. We also reviewed which elements should evolve with the times and which should be preserved and strengthened, clarifying a direction for transformation that reflects our unique character.



MC HR Vision DEAR

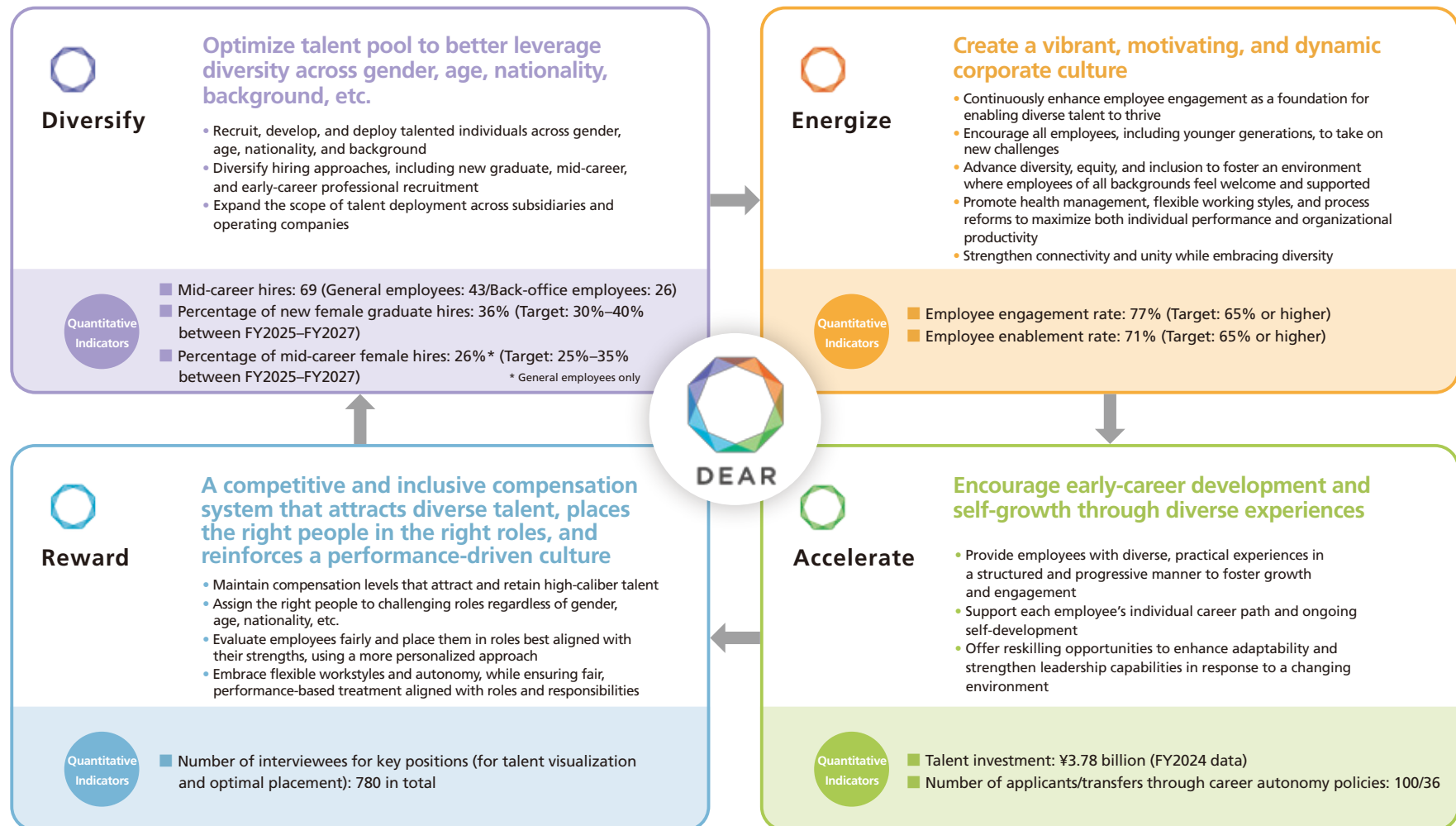
—Diversify, Energize, Accelerate, and Reward—

Against this backdrop, we formulated MC HR Vision DEAR with a long-term, 10-year perspective, grounded in the belief that clearly articulating our human resource vision and communicating it to internal and external stakeholders is essential to maintaining our appeal as a company, retaining outstanding talent, and developing individuals who contribute to value creation.



Our 10-Year HR Vision DEAR—Diversify, Energize, Accelerate, and Reward

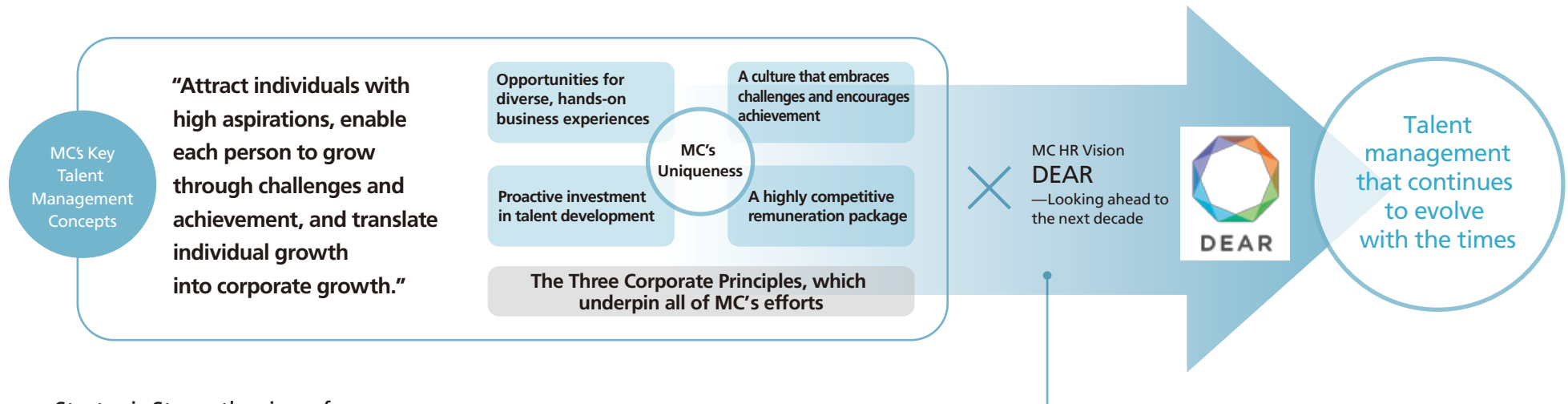
DEAR represents a set of guiding principles designed to ensure that we remain a company where diverse and talented individuals connect and collaborate to address social and business challenges with a sense of fulfillment and pride. While DEAR consists of four components, it also draws on the meaning of the English word “dear,” symbolizing our commitment to placing the highest value on our people. Based on this concept, we will advance human resource initiatives to develop people and organizations that are highly adaptable to change.



Note: All figures from FY2025 except where indicated

Human Resource Initiatives during Corporate Strategy 2027

The engine of our Value Creation Framework—embodied in the Enhance, Reshape, and Create (ERC) initiatives outlined in CS 2027—is our integrated strength, and fully leveraging that strength depends on our diverse and talented people. To execute our management strategy, it is essential to build on the strengths and capabilities of our people while further enhancing the diversity of our overall talent portfolio. By reaffirming our Key Talent Management Concepts and advancing human resource initiatives under MC HR Vision DEAR—our vision for transformation—we will drive change across our people and organization and further strengthen our talent management capabilities.



Strategic Strengthening of Key Human Resources to Drive Transformation under CS 2027

During CS 2027, in addition to the measures already outlined, we have formulated key initiatives aligned with DEAR and centered on the theme of "challenge" to advance our Value Creation Framework through the ERC initiatives. Through these efforts, we will drive transformation in our people and organization, realize our vision, and further enhance our corporate value.

 Diversify	<ul style="list-style-type: none"> Foster a shared mindset that aligns the aspirations of our diverse, high-caliber talent, encouraging a spirit of challenge and value creation Strengthen talent management initiatives on a globally integrated basis
 Energize	<ul style="list-style-type: none"> Provide growth opportunities and encourage employees to take on challenges through an internal recruitment system that supports new business creation Expand initiatives that promote a culture of taking on challenges and value creation
 Accelerate	<ul style="list-style-type: none"> Develop next-generation leaders with strong adaptability to change Launch a proprietary AI-focused talent development program that integrates AI/digital expertise with business experience
 Reward	<ul style="list-style-type: none"> Update compensation policies for directors, senior vice presidents, and employees to align with corporate strategy and promote value-sharing with shareholders Further strengthen appointments that emphasize taking on challenges and balanced evaluation to accelerate progress on the ERC initiatives



Diversify

Optimize talent pool to better leverage diversity across gender, age, nationality, background, etc.

To adapt to a rapidly changing business environment and advance our Enhance, Reshape, and Create (ERC) initiatives, it is essential to build a diverse talent pool capable of leading these efforts. To this end, we will broaden our recruiting approaches to attract top talent, strengthen global talent management, and establish a framework that embraces diverse perspectives and empowers employees to continue taking on new challenges.



- Mid-career hires: 69 (General employees: 43/Back-office employees: 26)
- Percentage of new female graduate hires: 36% (Target: 30%–40% between FY2025–FY2027)
- Percentage of mid-career female hires: 26%* (Target: 25%–35% between FY2025–FY2027)

* General employees only

Broadening and Enhancing Recruiting Approaches

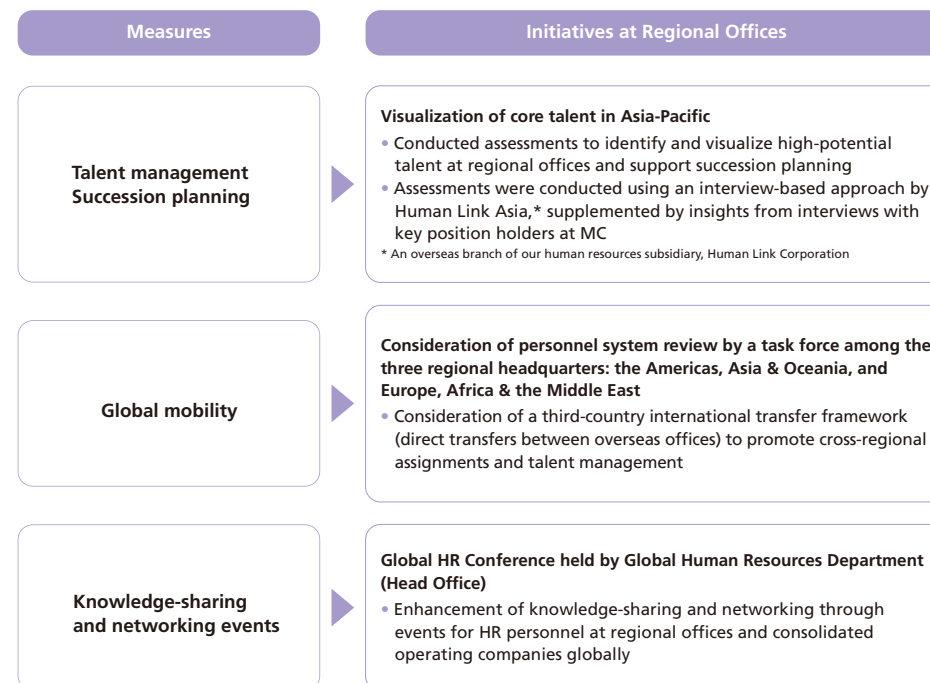
We are broadening and enhancing our recruitment approaches to attract talent with diverse backgrounds. Recognizing human resources as our most important asset, we will continue to recruit from a wide range of students and professionals in Japan and overseas. In addition to expanding recruitment of early-career professionals and back-office personnel, we are building frameworks that enable broader participation by diverse talent. This includes initiatives such as dual-track recruiting systems for new graduates that support a balance between academic pursuits and student life. For back-office roles, we began mid-career recruitment in FY2023 and will resume new graduate hiring in FY2027 for the first time in eight years. As back-office functions become increasingly non-standard and complex in response to changes in the business environment, we will strengthen our ability to adapt and respond to change.



Global Talent Management

To date, we have implemented a range of global talent management initiatives. Going forward, we will reexamine our organizational structure and talent management approach in light of the declining workforce in Japan and the need to achieve sustainable value creation through diverse perspectives.

Currently, the Head Office supports talent management initiatives based on the needs of offices and branches around the world, while also facilitating HR knowledge-sharing and networking opportunities, including with overseas consolidated operating companies.





We are creating an environment where diverse and talented individuals can reach their full potential. By promoting DEI, including women’s empowerment, and advancing company-wide work process reforms informed by employee awareness surveys, we are fostering a culture in which all employees are encouraged to take on challenges and thrive. This, in turn, advances the virtuous cycle of the ERC model.



- Employee engagement rate: 77% (Target: 65% or higher)
- Employee enablement rate: 71% (Target: 65% or higher)

DEI Initiatives

To promote DEI, we launched the DEI Working Group (DWG) in FY2023 under the leadership of the President/CEO and formulated a clear vision. In FY2024, we launched DEI Ambassador organizations across each department and group. Throughout the year, these ambassadors played a key role in deepening understanding and advancing implementation, while helping scale DEI initiatives across the organization. As a result, awareness of DEI has increased not only within the ambassador organizations, but across the company as a whole.

Vision	A strong and flexible organization where diverse talent can fully realize its potential and respond effectively to change
Measures	Promote flexible work styles with an emphasis on work-life balance; foster understanding of diverse values; support employees with childcare and family care responsibilities; advance women’s careers; support senior employees; maximize the potential of employees with disabilities; enable cross-border talent mobility; and create an LGBT-friendly workplace
Diversity Management: Initiatives	

■ Milestones and Initiatives for Promoting Women’s Empowerment

Women’s empowerment is a key driver of our DEI strategy. We continue to implement initiatives aligned with the four pillars to achieve our vision and milestones—strengthening recruitment, eliminating gender gaps in development and promotion, advancing women’s career progression, and improving work environments.

		Milestones ²			Vision
		FY2024	FY2025	End of FY2027	End of FY2030
Pipeline	General Managers	2.6%	3.0%	5%	10%
	General Manager Candidates ¹	7.8%	8.7%	10%	15%
	Managerial Staff	11.9%	12.3%	15%	
Recruitment	Mid-Career Hires	11% <small>Past 3 years’ results (FY2021-FY2023 hires)</small>	23%	25-35% <small>Through FY2025-FY2027</small>	Updated while checking progress
	New Graduate Hires	27% <small>Past 3 years’ results (FY2022-FY2024 hires)</small>	36%	30-40% <small>Through FY2025-FY2027</small>	

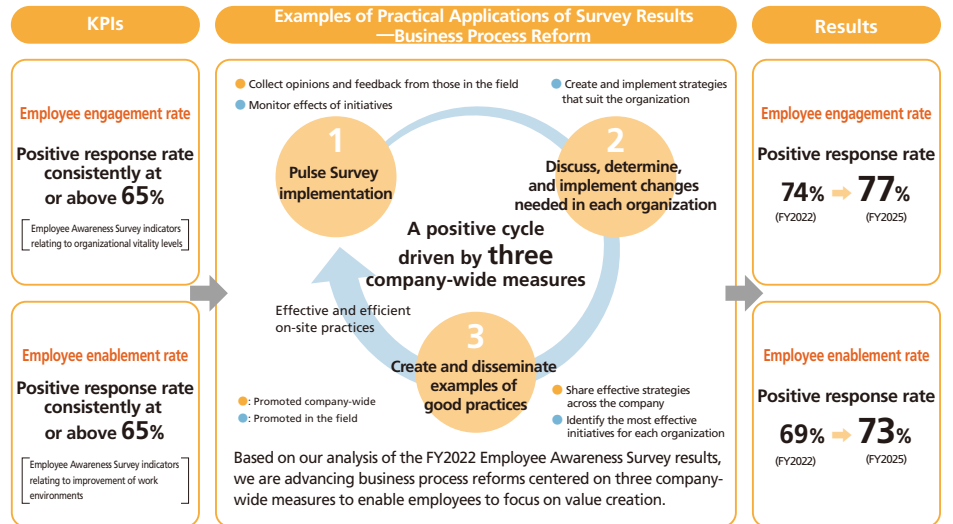
Target percentage of women at all levels³: 30% or higher

1. “General Manager Candidates” refers to those who are in positions of leading people, organizations, and projects.
 2. Milestones set for the end of FY2027 and end of FY2030 will be monitored based on data as of April 1, 2028, and April 1, 2031, respectively.
 3. 30% is considered the critical threshold needed to meaningfully influence corporate culture and decision-making.

Employee Awareness Survey and Work Process Reforms

Creating a culture in which diverse talent can thrive requires strong employee engagement. To support this, we conduct an annual Employee Awareness Survey. Among the survey results, two particularly important metrics—employee engagement and employee enablement—have been set as KPIs. Survey results are shared with all employees to promote transparency and organizational revitalization. Management also analyzes and discusses the findings. Based on the FY2022 results, we identified “work processes” as a key area for improvement and have since implemented a range of reform initiatives.

■ Employee Awareness Survey



■ Momentum Catalyst (MC) Award for Business Process Reforms

Through an awards program recognizing initiatives that contribute to business process reform, we are building momentum and driving company-wide efforts by sharing best practices.



Accelerate

Encourage early-career development and self-growth through diverse experiences

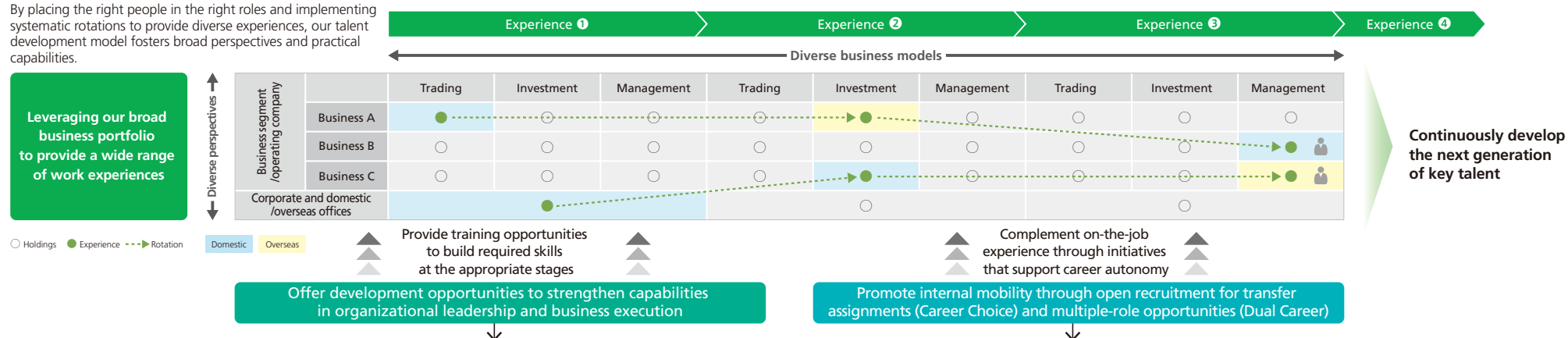
To realize the Value Creation Framework driven by our Enhance, Reshape, and Create (ERC) initiatives under CS 2027, it is essential to develop talent capable of contributing to value creation across diverse business stages. In addition to ensuring the right people are placed in the right roles, we conduct systematic rotations aligned with our business model. This approach provides employees with diverse experiences and supports the development of the next-generation of leaders. Beginning in FY2025, we have been enhancing our training framework to align with employees' development stages and evolving needs, including the introduction of proprietary programs to build AI-related capabilities. We are expanding learning opportunities that complement on-the-job training and can be applied in practice, while strengthening internal open recruitment systems to support self-directed career development. Through these initiatives, we aim to provide employees with broader opportunities to contribute to new value creation.



- Talent investment: ¥3.78 billion (FY2024 data)
- Number of applicants/transfers through career autonomy policies: 100/36

Strategic Talent Development Model

By placing the right people in the right roles and implementing systematic rotations to provide diverse experiences, our talent development model fosters broad perspectives and practical capabilities.

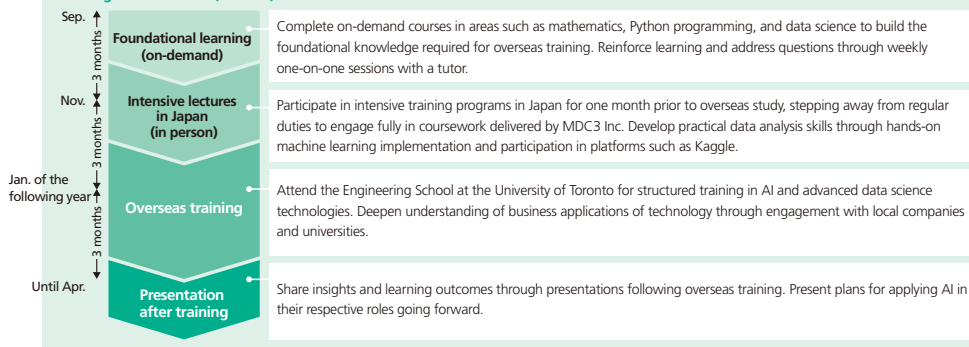


Continuously develop the next generation of key talent

Highlight >> AI Talent Development Program

We will further expand the AI Talent Development Program, developed in collaboration with the University of Toronto in Canada, to cultivate talent with advanced expertise in both AI and business. Participants complete a practical curriculum that combines foundational learning, intensive lectures conducted in Japan, and overseas training. After completing the program, they apply their learning by engaging in AI- and digital-related work within their respective departments.

< Program Structure (FY2025) >



Highlight >> Open Recruitment for Company-wide Office Leadership Positions through the Career Choice System

We use systems such as Career Choice (open recruitment for transfer assignments) and Dual Career (multiple-role opportunities) to provide employees with broader opportunities to shape their careers based on their aspirations, while maximizing their potential through optimal talent placement. In FY2024, we conducted open recruitment through Career Choice for two new company-wide office leadership positions in Seattle, United States, and Toronto, Canada.

Mitsubishi Corporation (Americas) Seattle Branch Head and Mitsubishi International Corporation Seattle Branch Head

[Open Recruitment Overview] Personnel with a strong understanding of the technology sector and robust networks, capable of driving business development and creating new opportunities through collaboration with major tech companies, primarily in Seattle.

[Duties] Build relationships with leading technology companies, startups, and venture capital firms to drive new business creation, while identifying potential investment opportunities and sharing insights from the front lines.

Mitsubishi Canada Toronto Office Head

[Open Recruitment Overview] Personnel with a strong understanding of the resources and innovation sectors, as well as robust networks, capable of driving new business creation in energy transformation and mineral resources in response to decarbonization, enhanced security, and new technology trends.

[Duties] Responsible for representative functions and supporting investee companies at the Canada office, while exploring and developing new business investment opportunities by leveraging the local AI ecosystem, identifying AI startups, and supporting talent development.

In FY2025, we started conducting open recruitment for company-wide office leadership positions in Boston, Brussels, Stockholm, and Bangalore.



A competitive and inclusive compensation system that attracts diverse talent, places the right people in the right roles, and reinforces a performance-driven culture

We offer highly competitive compensation to attract top talent (see page 14), along with a flexible compensation structure that accommodates diverse talent needs. We are also strengthening our ability to appoint the right individuals from a broad talent pool by enhancing visibility into talent and key roles on a consolidated basis. By clearly differentiating compensation based on roles and performance, and by fostering a healthy competitive environment, we align employee growth with the company's sustainable development.



■ Number of interviewees for key positions (for talent visualization and optimal placement): 780 in total

Talent Visualization and Optimal Placement: Interviews with Employees in Key Positions

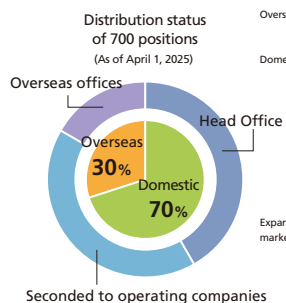
We are working to visualize critical, high-demand roles and identify the talent capable of filling them. This initiative focuses on approximately 700 employees in key positions who play important roles across the organization and have accumulated diverse experience at MC. We use this data to align roles with talent and ensure optimal placement. We also analyze the data from a macro perspective to assess the status of talent development and strengthen our human resource initiatives.

Visualized Role and Talent Information

Position Visualization

Key positions
Approx. **700**

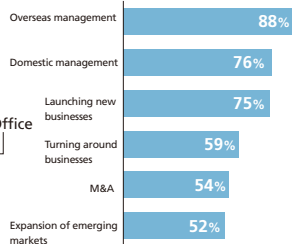
Determination of management job grades based on quantitative and qualitative factors



Talent Visualization

Key positions interviews
Approx. **780**

Example: Breakdown of diverse work experience among employees in key positions



Note: Additional quantitative and qualitative data, including career aspirations, personality traits, and leadership styles, are also visualized.

Utilization of Optimal Talent Placement and Development of Talent Policies

Optimal talent placement to support corporate strategy

- To ensure the placement of the right talent in roles aligned with business needs, and to further develop and refine their capabilities, we leverage quantitative and qualitative data on each key position's requirements, as well as individual experiences, personality traits, career aspirations, etc.
- We provide opportunities for reflection and encourage continued growth through interviews and feedback based on visualization results.

Development of systems and policies to cultivate future key talent

- We are building a foundational system to visualize the experience levels of both new graduate hires and mid-career employees, and to apply these insights to support their career development.
- We are expanding training programs designed to strengthen leadership capabilities and enable leaders to deliver results in a rapidly changing business environment.

Executive Officer Compensation Package

Our executive officer compensation package is aligned with our management strategy and is designed to reinforce commitment to the enhancement of medium- to long-term corporate value. In 2025, we revised the compensation structure for executive directors by introducing stock price-linked share-based compensation and updating compensation limits for directors (excluding Audit & Supervisory Committee members), thereby strengthening alignment with shareholder interests and management accountability.

Integrated Report 2025 ▶ Page 39 Executive Officer Compensation Package

Spotlight ▶ Page 14 Introduction of Hybrid Human Resource System and Compensation System

Compensation Package (From FY2025)		KPI	Compensation Details
Base salary	Fixed: About 15%~20%		<ul style="list-style-type: none"> A monthly amount is determined by the Board of Directors based on each individual's position.
Individual performance-linked remuneration ¹	Variable (single year): About 20%~35%	Individual performance (single year)	<ul style="list-style-type: none"> The compensation amount for each director and executive officer is determined by the President/CEO, based on assessments of both financial and non-financial performance, under authority delegated by the Board of Directors. The performance of the President/CEO is evaluated by the Compensation Committee² following deliberation. Assessment results are reported to both the Board of Directors and the Compensation Committee.²
Performance-linked bonus ¹		Underlying operating CF, ROE, and sustainability factors (single year)	<ul style="list-style-type: none"> The amount paid is determined based on underlying operating cash flow (CF) for a single fiscal year, using formulas approved by the Board of Directors following deliberation by the Compensation Committee.² However, if net income is zero or negative, no payment is made regardless of the level of underlying operating CF. In addition, if ROE falls below the threshold set by the Board, the payment amount is reduced. The final payout also reflects evaluations of initiatives related to sustainability factors. These evaluations are conducted by the Compensation Committee,² which reviews initiatives undertaken during the relevant fiscal year and assesses their longer-term impact from both quantitative and qualitative perspectives. The evaluation results are reported to the Board of Directors.
Stock-based remuneration linked to share performance ¹	Variable (medium- to long-term): About 30%~50%	Share price/ Growth rate in shares (three years)	<ul style="list-style-type: none"> Each fiscal year, points are allocated based on position. The performance evaluation period spans three years. Point values fluctuate based on MC's stock performance over this period, measured by total shareholder return relative to the TOPIX benchmark (including dividends), in accordance with a remuneration formula approved by the Board of Directors following deliberation by the Compensation Committee.² Stock-based remuneration is delivered through a trust scheme. <p>(Note) Directors and executive officers are required to hold any shares received while in office. Sales of these shares are restricted until their aggregate market value exceeds approximately 300% of the base salary for each position (500% for the President/CEO).</p>

1. Components of remuneration subject to the clawback policy.

2. In addition to the Compensation Committee, which consists of a majority of independent directors and is chaired by an independent director, all independent directors participate, including those who also serve as independent Audit & Supervisory Committee members.

Continuing Mitsubishi Corporation's Unique Approach to Developing Its People

This report was created to clearly communicate how we have consistently embodied our core belief that “our people and our integrated strength are our greatest competitive advantage.” Amid significant changes in the business environment, we have maintained a strong commitment to exploring all possible options and engaging in thoughtful discussion in pursuit of transformation. At the same time, we place the highest value on each individual who takes on challenges at MC. We design and implement initiatives that create opportunities for growth, invest in development, and enable our people to maximize their potential. Even in the face of environmental change, this steadfast approach puts into practice our belief that “our people and our integrated strength are our greatest competitive advantage.” This commitment has endured to the present day and remains central to our approach as we work to maximize the value of our human capital under MC HR Vision DEAR, with a long-term perspective over the next 10 years.

However, simply sharing this approach and related initiatives with stakeholders is not sufficient. In a rapidly changing environment, we are advancing human resource initiatives and systems to support the execution of our management strategy. Above all, we believe it is essential to approach each initiative through our commitment to our people, embodying the distinctive belief outlined in this report.

If we merely disclose figures and measures, it would be nothing more than a report. By conveying not only our initiatives but also the beliefs, mindset, and convictions behind them, this report serves as a starting point for dialogue with a wide range of stakeholders. What have we valued? Does it remain relevant today? Do we need to consider additional perspectives? As we continue to reflect on these questions, we will engage in dialogue with readers of this report while maintaining a clear view of the future. In addition, this dialogue will continue across generations. By carrying forward this mindset regardless of the business environment and continuing to engage in dialogue with our stakeholders, we will further explore and refine Mitsubishi Corporation's unique approach to developing its people.

Reference: Human Capital Data and Governance

Human Resource Management Basic Data

Employee Data (As of March 31 of Each Fiscal Year)	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Number of employees (consolidated)	People	82,997	80,728	79,706	80,037	62,062
Number of employees (non-consolidated)	Total	5,725	5,571	5,448	5,421	5,361
	Male	4,241	4,141	4,051	4,038	3,978
	%	74.08	74.33	74.36	74.49	74.20
Average age of employees (non-consolidated)	Female	1,484	1,430	1,397	1,383	1,383
	%	25.92	25.67	25.64	25.51	25.80
	Age	42.7	42.8	42.9	42.7	42.4
Average years of service (non-consolidated)	Male	42.9	43.1	43.1	42.9	42.7
	Female	42.1	42.0	42.2	42.2	41.6
	Years	18.4	18.5	18.5	18.3	17.8
Number of employees on overseas assignments (including global trainees)* (non-consolidated)	Male	18.5	18.7	18.6	18.3	18.0
	Female	18.2	18.0	18.3	18.1	17.2
	Years	1,075	1,051	1,054	1,012	1,033
Number of employees on overseas assignments (including global trainees)* (non-consolidated)	Male	1,019	988	978	946	942
	%	94.79	94.01	92.79	92.65	91.19
	Female	56.0	63.0	76.0	66.0	91.0
%	5.21	5.99	7.21	7.35	8.81	

* The "Global Trainee Program" is an overseas assignment system aimed at young employees, in order to handle the global development of MC's business portfolio and strengthen MC's global competitiveness in terms of human resources. The program includes assignments to overseas business schools, assignments for cultural and language training in various countries, and, based on a policy that advocates all young employees should gain overseas experience at least once, other systems such as a trainee system, which allows employees to receive training in an overseas country after they have been in the company for at least two years.

Number of Professional Staff, Managers, and Executives (Non-consolidated) (As of April 1 of Each Fiscal Year)	Unit	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Professional staff	Total	5,476	5,335	5,195	5,121	5,101	5,025
	Male	4,362	4,256	4,156	4,100	4,095	4,029
	%	79.66	79.78	80.00	80.06	80.28	80.18
	Female	1,114	1,079	1,039	1,021	1,006	996
	%	20.34	20.22	20.00	19.94	19.72	19.82
Managers	Total	3,860	3,805	3,754	3,727	3,722	3,683
	Male	3,433	3,367	3,317	3,280	3,279	3,231
	%	88.94	88.49	88.36	88.01	88.10	87.73
	Female	427	438	437	447	443	452
	★ %	11.06	11.51	11.64	11.99	11.90	12.27
Executive officers	Total	50	49	45	46	47	50
	Male	50	49	45	46	46	49
	%	100.00	100.00	100.00	100.00	97.87	98.00
	Female	0	0	0	0	1	1
	%	0.00	0.00	0.00	0.00	2.13	2.00
Directors (including directors who are Audit & Supervisory Committee members)*	Total	16	16	16	14	15	15
	Male	13	13	12	10	11	11
	%	81.25	81.25	75.00	71.43	73.33	73.33
	Female	3	3	4	4	4	4
	%	18.75	18.75	25.00	28.57	26.67	26.67

* Figures before the transition to a company with an Audit & Supervisory Committee (June 2024) include the gender ratio in "Directors/Audit & Supervisory Committee members."

★ Milestone target for ratio of female managers: 15% or higher by the end of FY2027

Breakdown of Employee Data (As of March 31, 2025)	Unit	FY2024	Breakdown of Employee Data (As of March 31, 2025)	Unit	FY2024
Number of employees by organization (non-consolidated)	People	5,361	Number of employees by region (non-consolidated)	People	5,361
Corporate Staff Section	People	853	Japan	People	4,378
Environmental Energy Group	People	500	North America	People	228
Materials Solution Group	People	652	Latin America & the Caribbean	People	62
Mineral Resources Group	People	351	Europe	People	123
Urban Development & Infrastructure Group	People	544	Africa	People	14
Mobility Group	People	511	Middle East	People	38
Food Industry Group	People	480	Asia & Oceania	People	430
Smart-Life Creation Group	People	682	East Asia	People	88
Power Solution Group	People	305			
MC offices and subsidiaries	People	483			

Ratio of Female Employees by Employee Category (Permanent / Non-Permanent) (As of March 31)	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Permanent employee	%	26.00	26.00	26.00	26.00	26.00
Non-permanent employee	%	21.00	22.00	22.00	27.00	29.00

Ratio of Employees by Age Bracket (As of March 31)	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
20s	%	16.00	16.00	15.00	15.00	15.00
30s	%	27.00	28.00	29.00	30.00	30.00
40s	%	22.00	22.00	22.00	22.00	22.00
50s	%	33.00	33.00	34.00	33.00	31.00
60s	%	1.00	1.00	1.00	1.00	1.00

Related Data	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Annual average actual working hours ¹	Hours	1984.3	2002.5	1993.8	1983.2	2004.3
Monthly average overtime hours ¹	Hours	27.2	30.4	29.9	29.2	31.0
Number of violations of the Labor Standards Act ²	Cases	0	3	1	1	2
Percentage of temporary employees	%	Approx. 7	Approx. 8	Approx. 9	Approx. 10	Approx. 10
Number of temporary employees (male)	People	435 (19)	453 (19)	500 (12)	568 (21)	579 (31)

1. Employees at the Head Office and Japanese branches (excluding managers, corporate advisers, and contract employees).

2. Employees at the Head Office and Japanese branches (excluding secondees from other companies).

Percentage of Retirees for Personal Reasons (As of March 31)	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Total	%	1.40	1.50	1.30	0.87	0.98
Male	%	1.40	1.30	1.20	0.72	1.07
Female	%	1.40	1.50	1.30	0.83	0.71

Other Data Concerning Employees (Non-consolidated)	Unit	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Number of labor union members*	People	3,296	3,207	3,039	3,015	3,015	3,002
Ratio of labor union members	%	55	55	54	54	54	54

* As of April 1 of each fiscal year

Diversify-Related Data

Recruitment History (Non-consolidated)		Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Number of new graduates recruited	Total	People	127	123	120	127	139
	Male	People	89	88	89	96	97
		%	70.77	71.54	74.17	75.59	69.78
	Female	People	38	35	31	31	42
	★1	%	29.23	28.46	25.83	24.41	30.22
	(number of general staff)*	People	—	—	—	—	—
Number of career hires	Total	People	21	16	43	79	77
	Career recruitment ratio	%	14	12	26	38	36
	Male	People	12	13	39	76	59
		%	92.31	81.25	90.70	96.20	76.62
	Female	People	1	3	4	3	18
	★2	%	7.69	18.75	9.30	3.80	23.38
Back-office staff	Total	People	—	—	—	20	17
	Male	People	—	—	—	2	1
	Female	People	—	—	—	18	16

As recruitment of general staff (formerly business support staff) was not conducted from FY2020 to FY2024, this is shown as “—”.

★1 Milestone target: 30%–40% over the period from FY2025 to FY2027

★2 Milestone target: 25%–35% over the period from FY2025 to FY2027

Employment Rate of Persons with Disabilities (As of June 1)	Unit	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Employment rate of persons with disabilities*	%	2.90	2.53	2.45	2.41	2.68	2.65

Note: The statutory employment rate of persons with disabilities (private-sector companies) was raised from 2.3% to 2.5% in April 2024.

* Total of non-consolidated figures, Mitsubishi Corporation Taiyo (a special subsidiary), and three applicable Group companies.

Other Diversify-Related Data (As of April 1)	Unit	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Ratio of non-Japanese managers*	%	—	—	18	19	18	17.3
Ratio of mid-career hires in managerial positions	%	—	—	10	10	11	12

* Includes overseas offices

Energeze-Related Data

Data on Employees Using MC's Various Systems (As of March 31 of Each Fiscal Year)	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Number of employees who took paid childbirth leave	People	88	110	108	112	129
Number of employees who took maternity/paternity leave ¹	Total	People	84	116	146	147
	Male	People	36	49	78	65
	Female	People	48	67	68	82
Number of employees who have children ²	Total	People	241	259	261	254
	Male	People	190	191	176	183
	Female	People	51	68	85	71
Ratio of employees taking childcare leave (%) ³	Total	%	34.9	44.8	55.9	57.9
	Male	%	18.9	25.7	44.3	35.5
	Female	%	94.1	98.5	80.0	115.5
Number of employees who return to work after childcare leave ⁴	Total	People	73	82	112	122
	Male	People	16	32	48	44
	Female	People	57	50	64	78

Rate of continued employment after childcare leave (%) ⁴	Total	%	93.6	94.3	94.9	95.3	98.4
	Male	%	80.0	88.9	98.0	89.8	98.4
	Female	%	98.3	98.0	92.8	98.7	98.5
Number of employees who took paid childcare leave	Total	People	246	209	236	312	327
	Male	People	82	72	86	128	129
	Female	People	164	137	150	184	198
Number of employees who took paid school event leave	Total	People	189	232	244	301	348
	Male	People	84	107	108	142	164
	Female	People	105	125	136	159	184
Number of employees who shortened work hours for childcare	Total	People	67	60	81	118	140
	Male	People	0	0	1	8	2
	Female	People	67	60	80	110	138
Number of employees who obtained staggered work hours or flex-time for childcare reasons	Total	People	25	14	11	10	10
	Male	People	3	2	2	1	1
	Female	People	23	12	9	9	9
Number of MC Childcare Concierge consultations	Total	Cases	45	43	51	71	89
	Male	Cases	20	13	21	30	28
	Female	Cases	25	30	30	41	61
Number of participants in MC Gakudo (total)	People	—	—	—	40	60	
Number of participants in work-life balance seminars for employees with children	People	10	23	26	61	139	
Number of employees who took paid caregiver leave ¹	Total	People	1	0	1	2	1
	Male	People	1	0	1	1	0
	Female	People	0	0	0	1	1
Number of employees who took paid family care leave	Total	People	269	189	185	210	237
	Male	People	75	55	56	62	68
	Female	People	194	134	129	148	169
Number of employees who obtained staggered work hours or flex-time for family care reasons	Total	People	5	4	3	0	1
	Male	People	0	0	0	0	0
	Female	People	5	4	3	0	1
Number of consultations at the family care consultation desk	Cases	25	44	23	42	26	
Number of employees who applied for the re-employment system for employees who left to accompany spouses on domestic or international transfers ⁵	People	10	13	12	16	12	
Average number of days of childcare leave taken by male employees	Days	63	43	42	56	60	
Number of employees who took paid volunteer leave	Total	People	10.0	13.0	42.0	79.5	15.0
	Male	People	2.0	5.0	11.0	32.5	5.0
	Female	People	8	8	31	47	10
Ratio of male employees using childcare-related systems ⁶ ★	%	66.0	84.0	89.0	92.6	88.8	
Ratio of male employees taking childcare leave ⁷	%	—	—	44.3	123.5	163.9	

1. Number of employees who began taking caregiver leave during said fiscal year.

2. For male employees, the number of employees whose spouses gave birth during the fiscal year; for female employees, the number of employees who gave birth during the fiscal year.

3. Calculated by dividing the number of employees who took childcare leave during the fiscal year by the number of employees who gave birth during the fiscal year. For female employees, the ratio may exceed 100% due to the time lag between childbirth and the start of childcare leave.

4. For male employees, the figure and ratio represent the number and percentage of employees who began childcare leave in the previous fiscal year and remained employed as of the end of the current fiscal year. For female employees, they represent the number and percentage of employees who gave birth in the previous fiscal year and remained employed as of the end of the current fiscal year.

5. Re-employment system for employees accompanying spouses on domestic or international transfers refers to a system in which re-employment is offered, under certain conditions, to employees who resign from their positions in order to accompany their spouse to the location of a domestic or international transfer.

6. Ratio of male employees whose spouses gave birth during the fiscal year who were working at the head office or domestic offices as of the end of the fiscal year and used childcare-related systems including “childcare leave” and “spousal maternity leave.”

7. Percentage of childcare leave and other childcare-related leave (such as leave before and after a spouse's childbirth and for children's school events) calculated in accordance with the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Childcare and Caregiver Leave Act).

★ Target: 100% by end of FY2027

Gender Pay Gap (As of March 31)	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Regular employees	%	—	—	64.4	64.4	64.3
Non-regular employees	%	—	—	66.2	63.3	60.1
All employees	%	—	—	64.9	64.1	62.9

Note: Figures for women, with men set at 100%.

Gender Composition of Directors and Officers (As of July 1)		Unit	FY2020	FY2021	FY2022	FY2023
Directors	Male	People	10	10	9	7
	Female	People	1	1	2	2
Of whom, outside directors	Male	People	4	4	3	2
	Female	People	1	1	2	2
Audit & Supervisory Board members	Male	People	3	3	3	3
	Female	People	2	2	2	2
Of whom, outside Audit & Supervisory Board members	Male	People	1	1	1	1
	Female	People	2	2	2	2
Executive officers (includes the president and executive officers also serving as directors)	Male	People	49	49	46	46
	Female	People	0	0	0	0

Note: Figures are before Ordinary General Meeting of Shareholders held in June 2024.

Gender Composition of Directors and Officers (As of July 1)		Unit	FY2024	FY2025
Directors (excluding directors who are Audit & Supervisory Committee members)	Male	People	7	7
	Female	People	3	3
Of whom, outside directors	Male	People	1	1
	Female	People	3	3
Directors who are Audit & Supervisory Committee members	Male	People	4	4
	Female	People	1	1
Of whom, outside directors	Male	People	2	2
	Female	People	1	1
Executive officers (includes the president and executive officers also serving as directors)	Male	People	45	49
	Female	People	1	1

Note: Figures are after Ordinary General Meeting of Shareholders held in June 2024.

MC Women Overseas (As of April)	Unit	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Women on overseas assignment (including with accompanying children)	People	60 (16)	60 (16)	58 (20)	58 (20)	62 (19)	72 (27)

Lost Time Injury Frequency Rate ^{1, 2, 3} (This data covers major operating companies with production sites, including subsidiaries and unincorporated joint operations)	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Employees	—	4.16	3.26	3.87	3.40	2.01
Non-employee workers (regular contractors)	—	1.95	1.14	0.52	1.01	0.96
Whole company	—	3.79	2.73	2.75	2.47	1.59

- "Frequency rate" refers to the frequency of occupational accidents and is derived from the number of lost time injuries resulting from occupational accidents per 1,000,000 actual working hours. Calculation formula: "Lost time injuries in the financial year" ÷ "Total working hours in the financial year" × 1,000,000
- Businesses for which it is difficult for the company and its affiliated companies to obtain operational data due to contractual or other constraints are excluded.
- Operational data for regular contractor employees are excluded when such data cannot be obtained due to the nature of the contractual work.

Lost Time Injury Frequency Rate ^{1, 2, 3} (This data covers major operating companies with production sites, including subsidiaries, unincorporated joint operations, and affiliates)	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Employees	—	3.40	2.43	2.77	2.06	1.39
Non-employee workers (regular contractors)	—	0.72	0.87	0.48	0.71	1.13
Whole company★	—	2.74	2.03	1.98	1.75	1.31

- "Frequency rate" refers to the frequency of occupational accidents and is derived from the number of lost time injuries resulting from occupational accidents per 1,000,000 actual working hours. Calculation formula: "Lost time injuries in the financial year" ÷ "Total working hours in the financial year" × 1,000,000
 - Businesses for which it is difficult for the company and its affiliated companies to obtain operational data due to contractual or other constraints are excluded.
 - Operational data for regular contractor employees are excluded from the aggregation when such data cannot be obtained due to the nature of the contractual work.
- ★Target: Reduction compared with previous fiscal year

Lost Time Injury Frequency Rate ¹	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Employees ²	—	0.16	0.17	0	0	0
Non-employee workers (regular contractors) ³	—	—	0	0	0	0
Whole company★	—	0.16	0.15	0	0	0

- "Frequency rate" refers to the frequency of occupational accidents and is derived from the number of lost time injuries resulting from occupational accidents per 1,000,000 actual working hours. Calculation formula: "Lost time injuries in the financial year" ÷ "Total working hours in the financial year" × 1,000,000
 - Company employees at the Head Office and Japanese branches (excluding advisors and contract employees).
 - Regular contractor employees include temporary staff working at the Head Office and Japanese branches.
- ★Target: Reduction compared with previous fiscal year

Lost Time Injury Severity Rate ¹	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Employees ²	—	0.00	0.00	0	0	0
Non-employee workers (regular contractors) ³	—	—	0	0	0	0
Whole company	—	0.00	0.00	0	0	0

- "Severity rate" refers to the severity level of accidents and represents the total number of lost time injury days/1,000 total actual working hours. Calculation formula: "Lost time injuries in the financial year" ÷ "Total working hours in the financial year" × 1,000
- Company employees at the Head Office and Japanese branches (excluding advisors and contract employees).
- Regular contractor employees include temporary staff working at the Head Office and Japanese branches.

Occupational Illness Frequency Rate ¹	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Employees ²	—	0.00	0.00	0	0	0
Non-employee workers (regular contractors) ³	—	—	0	0	0	0
Whole company	—	0.00	0.00	0	0	0

- Frequency of industrial accidents classified as work-related illnesses as stipulated by the Japanese Ministry of Health, Labour and Welfare (including fatalities caused by illness).
- Company employees at the Head Office and Japanese branches (excluding advisors and contract employees).
- Regular contractor employees include temporary staff working at the Head Office and Japanese branches.

Data Related to Regular Health Checkups (Consolidated and Non-consolidated)	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Health checkup rate for domestic (Japan-based) employees (non-consolidated)★1	%	100	100	100	100	100
Percentage of annual paid leave taken (non-consolidated)★2	%	55	60	67	71	68
Overseas assignees checkup rate	%	80	77	86	91	100
Domestic assignees checkup rate	%	84	84	90	90	92
Stress check results (domestic) checkup rate	%	95	94	94	94	92

- ★1 Target: 100%
★2 Target: 70%

Absenteeism (As of October 1 of Each Fiscal Year)	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Absenteeism*	Day	—	1.2	1.3	1.9	2.1

* Definition of absenteeism: Total number of days of personal sick leave due to personal illness or injury ÷ The number of employees working in Japan (excluding secondees from other companies)

Presenteeism (As of October of Each Fiscal Year)	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Respondents	People	4,520	5,376	5,206	5,045	4,980
Single-item presenteeism question ¹	%	—	—	—	—	19
Absolute presenteeism (WHO-HPQ) ²	Points	65.9	67.9	69.5	68.3	—
Relative presenteeism (WHO-HPQ) ³	—	1.1	1.1	1.1	1.1	—

1. Definition of single-item presenteeism question: The score is 100 minus the response value to the question: "Assuming your work performance is 100% when you have no illness or injury, please rate your work performance over the past four weeks." (Data to be collected and utilized from the 2025 stress check survey.)

2. Out of 100 points (Collected and utilized up to the 2024 stress check survey.)

3. Range of 0.25 to 2 (Collected and utilized up to the 2024 stress check survey.)

Other Reward-Related Data	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Employee engagement rate ^{★1}	%	—	—	—	77	77
Employee enablement rate ^{★2}	%	—	—	—	71	71
Percentage of female general managers ^{★3}	%	—	—	—	—	3.0
Percentage of female general manager candidates ^{★4}	%	—	—	—	—	8.7
Number of town hall meetings conducted by the president	Times	—	—	6	8	6
Number of participants in town hall meetings conducted by the president	People	—	—	237	252	220

1. Employee awareness surveys are conducted to obtain a snapshot of employee motivation and organizational vitality. The findings are used to improve management and other aspects of operations. Employee satisfaction figures represent the ratio of staff members responding positively to questions about employee engagement (Do you work with enthusiasm and take pride in/admire your company?) in the survey.

2. As with note 1, figures represent the ratio of staff members responding positively to questions in the survey regarding creation of an environment that enables employees to perform at their best (including appropriate job placement, a sense of fulfillment in work, and a productive working environment).

3. Refers to individuals in positions that lead people, organizations, and projects.

★1 Target: 65% or higher

★2 Target: 65% or higher

★3 Milestone target: 5% by the end of FY2027 and 10% by the end of FY2030

★4 Milestone target: 10% by the end of FY2027 and 15% by the end of FY2030

Accelerate-Related Data

Overview of MC's Training (Non-consolidated)	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Total annual training hours	Hours	Approx. 92,000	Approx. 74,000	Approx. 118,000	Approx. 74,000	Approx. 80,099
Annual training hours per employee ¹	Hours	16.0	13.2	21.8	13.6	14.9
Total cost of training ²	Billion yen	1.63	1.75	2.42	3.30	3.78
Cost per employee ³	Thousand yen	286	316	445	608	705

1. The average number of training hours per employee is calculated by dividing total annual training hours by the total number of employees. This does not include time spent on self-development using the online self-learning platform provided by the company.

2. Since FY2023, this figure has included incidental expenses relating to long-term overseas training activities, in addition to expenditure on education and training activities and services outsourced from external training institutions.

3. This figure is calculated by dividing total education and training expenses by the total number of employees to determine the cost of training per employee.

Human Capital Governance

Responsible Officers/Departments	Human capital-related strategies and risks are overseen by the Global Human Resources Department under the officer responsible for human resources.	
Deliberative and Advisory Bodies	HRD Committee	<ul style="list-style-type: none"> A subcommittee of the Executive Committee (management decision-making body) Chaired by the officer responsible for human resources and attended by the CEO of each business group, the committee discusses matters related to personnel systems, human resource development, and the selection of executive management from a company-wide perspective. Matters discussed by the committee are, in accordance with established criteria, reported to the Executive Committee and the Board of Directors, and then implemented and managed as company-wide initiatives.
	Human Resource Development Council	<ul style="list-style-type: none"> An advisory body to the officer responsible for human resources Chaired by the officer responsible for human resources and attended by the general managers of the Global Human Resources Department and HR representatives from each business group, the body discusses matters related to personnel systems, human resource development, and the selection of executive management from a company-wide perspective. As an advisory body, it discusses a wide range of matters from a company-wide perspective, including HR systems, HR initiatives, talent development, and workforce policies.

Number of Training Participants (Non-consolidated)		Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Human rights-related training (non-consolidated officers and employees)	Annual training hours per employee	Hours	5	4	16	5	10
	Attendance rate	%	99.1	99.2	96.2	97.1	97.3
Business Basic Skill Program 1st or 2nd year employees		People	124	128	137	153	174
Business Advanced Skill Program 3rd year employees		People	121	114	124	135	160
MC Leading Change Program Head Office, domestic and overseas offices, and operating companies		People	—	—	—	—	42
MC Executives Program Managing Director class employees		People	28	29	29	27	27
Organization Leader Training Team leaders and general managers of operating companies		People	—	—	122	104	111
New Manager Training Managers and section managers of operating companies		People	—	—	140	151	202
Instructor Training Employees responsible for training new hires		People	—	—	141	126	140
MC Innovation Lab (MIL) (Cumulative) Personnel in key business areas, including DX (operational efficiency improvements) and new business development		People	—	—	91	149	175
MIL for Manager Training Managers		People	—	—	—	27	40
DX-related training attendance rate		%	—	—	Approx. 99.0	100	Approx. 99.0

Results of Career Autonomy Promotion Measures	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Growth dialogue ¹ satisfaction	%	72.8	73.4	72.5	72.5	72.6
Number of positions offered ²	Cases	—	—	—	97	151
Number of applicants ²	People	—	—	—	91	138
Number of transferees/Number of concurrent assignments ²	People	—	—	—	61	41

1. Annual dialogue with supervisors focusing on employee skill development and career building in order to enhance the effectiveness of employee autonomous growth.

2. Results of Career Choice System (open recruitment and transfer system to empower employees' transfer to the positions they wish to take on) and Dual Career System (in-house dual work assignments system), which are measures to encourage career autonomy that have been implemented since FY2023.

Reward-Related Data

Actual Number of Key Positions	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Number of key positions	Positions	—	—	Approx. 700	Approx. 700	Approx. 700
Number of meetings with employees in key positions (cumulative)	Items	—	—	Approx. 350	Approx. 500	Approx. 650

Other Reward-Related Data	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Average salary	Yen	16,783,874	15,588,893	19,393,985	20,909,825	20,333,662



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Published in June 2026