

OUR APPROACH

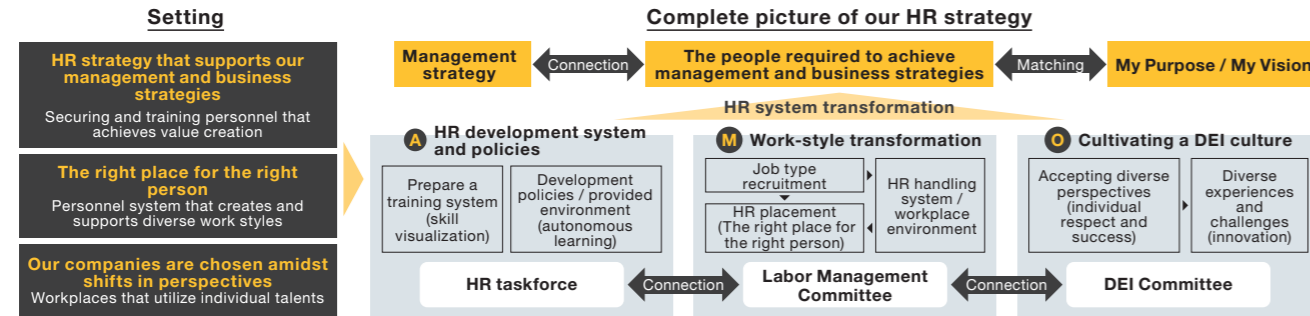
Human Resource Strategy

Our Core Approach

At the Meiden Group, we continuously work to strengthen policies that secure the human resources that are the source of our value creation. Specifically, we enact human capital management focused on the three pillars of “human resource development systems and policies,”

“transforming the ways we work,” and “creating a culture of DEI” around the core concepts of “securing and training human resources that can solve business challenges” and “transforming to an organization that respects individuality” through the AMO framework*.

*AMO: Raising each person's Abilities (A) and Motivation (M), then providing Opportunities (O) where all employees can utilize their skills.



Human Capital Management KPIs that Creates Value

The Medium-term Management Plan 2024 aims to promote DEI, transform working styles, and increase engagement while setting targets (KPIs) for materiality and management strategies while simultaneously fine-tuning activities through the development and measurement of results of each personnel policy.

Primary KPIs	KPI advancement			Target value	Details of initiatives & future developments
	2021	2022	2023		
Ratio of female employees in management	3.6%	4.1%	5.1%	FY2023 12% *Meidensha only	<ul style="list-style-type: none"> Increase the amount of experience through deployment to different industries and training with external organizations Conduct detailed interviews to transform management perspectives and employee mindsets Implement scheduled training and assignment of young and mid-career employees through the system where executives support employees
Percentage of male employees acquiring paternity leave	40%	70%	88%	FY2025 100% *Meidensha only	<ul style="list-style-type: none"> Thoroughly explain the system and obtain the understanding of on-site managers Introduce a system for paternity leave at the time of birth and a short-term childcare leave system to promote paternal leave (1-month paid leave) Introduce special leave to promote paternal involvement in child-raising (spousal childcare leave)
Female executive class employees (full-time)	0	0	1	FY2024 at least 1 people FY2030 at least 3 people (including +1 executive officer)	<ul style="list-style-type: none"> Create opportunities for talent and skill training through executive management training by external organizations Broaden opportunities to gain experience through transfers and assignments to outside departments Foster motivation via meetings with executives Initiate the Women's Executive Training Program within each business group so that female employees can picture a leadership style that reflects their true selves.
Number of non-Japanese local CEOs	0	1	2	FY2024 at least 3 people FY2030 at least 5 people (including one or more executive officer)	<ul style="list-style-type: none"> Hold periodic executive candidate meetings with supervisors to foster a management mentality Utilize the coaching program to hone the management capabilities of overseas local candidates for executive positions Link multiple Chinese local companies with business planning departments in Japan in a spirit of organization development and conduct group training
eNPS (employee NPS®) (vs. FY2021)	Base year	-1.4%	-2.6%	FY2024 10% improvement *Meidensha & Meiden Engineering	<ul style="list-style-type: none"> Review the HR treatment system to achieve equitable and just treatment by role and ability by transforming the organizations and mindsets such that each employee can play an active role (DEI promotion) Deploy the My Vision, My Challenge initiative across all companies Create learning opportunities that support employee growth

Transforming to organizations and mindsets where each employee can play an active role (DEI promotion)

Promoting DEI at our company carries a double meaning of Dedicated work in Environments that are Inclusive. We are creating an organization and work culture where each person can work actively while utilizing their individual talents. In FY2023, we created the DEI Committee, a support organization chaired by the company president, to strengthen advancement efforts and enact policies and

initiatives for DEI as a whole. In order to create grassroots DEI actions, we created lunchtime DEI MeetUP! Sessions to provide opportunities to achieve mental wellness, promote internal communication, and create the awareness tools for DEI to take root in our company. Over 600 employees joined these sessions.

A DEI MeetUP! Session



Securing and Training Human Resources that Can Solve Business Challenges

Securing and training the human resources that can solve business challenges is essential for the Meiden Group to achieve its target state. That is why we hire from a diverse range of sources, including new graduates, mid-career transfers, and overseas labor pools, then organize environments and personnel that enable autonomous learning so that each employee can increase their abilities and motivation, all while utilizing internal personnel through reskilling and education.

Specifically, we publish Occupational Skills as study guidelines so that individuals can reach their desired career, assign people internally and externally to expand their knowledge and make interpersonal connections, and offer an Internal Internship System that provides opportunities to consider different careers and their suitability in order to provide employees with opportunities to challenge themselves.

TOPICS

Educating Local Staff

To train executive candidates at local companies overseas, the Meiden Group improves the knowledge required for top management positions and the mindset needed to be a Meiden Group executive, offers coaching programs for organizational development, holds town meetings to foster appropriate attitudes of local staff, and organizes meetings between HR Departments in overseas local companies so that they can share and resolve issues. We also create career paths to act as guides toward a career path and help local staff attain their desired career.

Feedback from the CEO of an overseas local company

The Meiden Group's surge arresters are vital components in maintaining global power infrastructure. Our company established a base in the Chinese market as one of the three primary locations in the Meiden Group's surge arrester business, where we work to drive global development. I strive to contribute to the continued growth of the Meiden Group by utilizing local strengths and developing both our employees and our company.

Wang Peng
General Manager
MEIDEN ZHENGZHOU
ELECTRIC CO., LTD.



Increasing Employee Engagement

To increase employee engagement, we established an employee engagement KPI (eNPS*1) and analyze the underlying factors behind the results of our annual employee opinion survey to understand current issues and implement measures.

Reviewing Each System

Formed in FY2022, the Labor Management Review Committee examines revisions to HR treatment policies and the welfare system. Since April 2024, it has reviewed part of the system that ensures proper treatment by role and has also reviewed the promotion system in order to select and advance exceptional personnel early in their careers.

	FY2021 Respondents: 4,325 people	FY2022 Respondents: 4,349 people
Vision	76.0	75.6 (-0.4)
Culture	53.4	52.2 (-1.2)
Work environment	53.6	53.5 (-0.1)
Each system	40.1	37.8 (-2.3)
HR utilization	46.0	44.9 (-1.1)
eNPS (%)**	-63.6	-65.0 (-1.4)

Perspectives for Analysis

Vision	Mission, Vision, Strategy Permeation, etc.
Culture	Open culture, Communication, Intent to achieve and challenge, Engagement (hopes for the company's future), etc.
Work environment	Productivity, Work-life balance, etc.
Each system	Evaluation, Compensation, Advancement, HR Development System, etc.
HR utilization	Empowerment (drive to work), Employee utilization & assignment, etc.

*1 eNPS: Employee NPS® (Net Promoter Score). NPS® is a registered trademark of Bain & Company, Fred Reichheld, and Satmetrix Systems.
*2: eNPS is recorded as a percentage. eNPS applies to Meidensha and Meiden Engineering.