

Human Assets

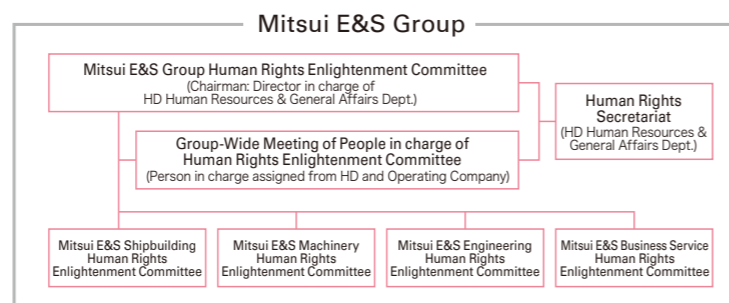
Initiatives for creating workplaces where every single employee is respected

● Initiatives for reducing our environmental impact through business activities

Mitsui E&S Holdings Co., Ltd., Mitsui E&S Shipbuilding Co., Ltd., Mitsui E&S Machinery Co., Ltd., Mitsui E&S Engineering Co., Ltd. and Mitsui E&S Business Service Co., Ltd. (hereinafter, the "Mitsui E&S Group") aim to create a corporate culture that is truly free of discrimination, together with the affiliated companies, as a corporate entity that demonstrates social responsibility. For this purpose, the Mitsui E&S Group positions the solution of human rights problems, including problems related to discriminated communities, gender discrimination and racial discrimination, as an important task, and strives to solve these problems through daily business activities under the principle of respect for human rights.

● Organizational structure (organizations and systems for promoting training)

We have appointed the director in charge of the Human Resources & General Affairs Department of Mitsui E&S Holdings Co., Ltd. as the head of the Mitsui E&S Group Committee for Promoting Human Rights Awareness. Under the head of the committee, we have established the Committee for Promoting Human Rights Awareness in each Mitsui E&S Group company. To coordinate between group companies, we have also established the Mitsui E&S Group Meeting of People in Charge of Promoting Human Rights Awareness as the advisory body.



● Initiatives for promoting work-life balance

Our Action Acquisition of Kurumin Logo certification, which is granted to companies supporting the development of the next generation

On August 22, 2017, Mitsui E&S Holdings Co., Ltd. (formerly known as Mitsui Engineering & Shipbuilding Co., Ltd.) was certified as a company supporting childcare pursuant to the Act on Advancement of Measures to Support Raising Next-Generation Children by the Ministry of Health, Labour and Welfare and acquired the Kurumin Logo, which is granted to companies supporting the development of the next generation. We promote initiatives including the improvement of labor conditions for helping employees to balance work and family life and review their workstyles. These initiatives are aimed at creating a workplace that enables employees to balance work and family and show their abilities to the fullest in manners that are appropriate for various life events.



Our Action Introduction of Telecommuting System

In March 2018, we introduced a Telecommuting System in addition to the existing Flexible Working Hours System without core time and hourly annual leave. Under this system, employees raising children or providing nursing care to their families and those who have difficulty commuting due to pregnancy, injury or a similar reason are allowed to work from home for up to two days a week if they fulfill certain conditions. This aims to permit individuals to demonstrate their capabilities to the full during a limited time by enabling them to save time spent on commuting and reducing the physical burden on them.

Voice



Junko Matsuoka
Naval Ship & Governmental Ship Sales Dept.,
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Feedback from a user of the Telecommuting System

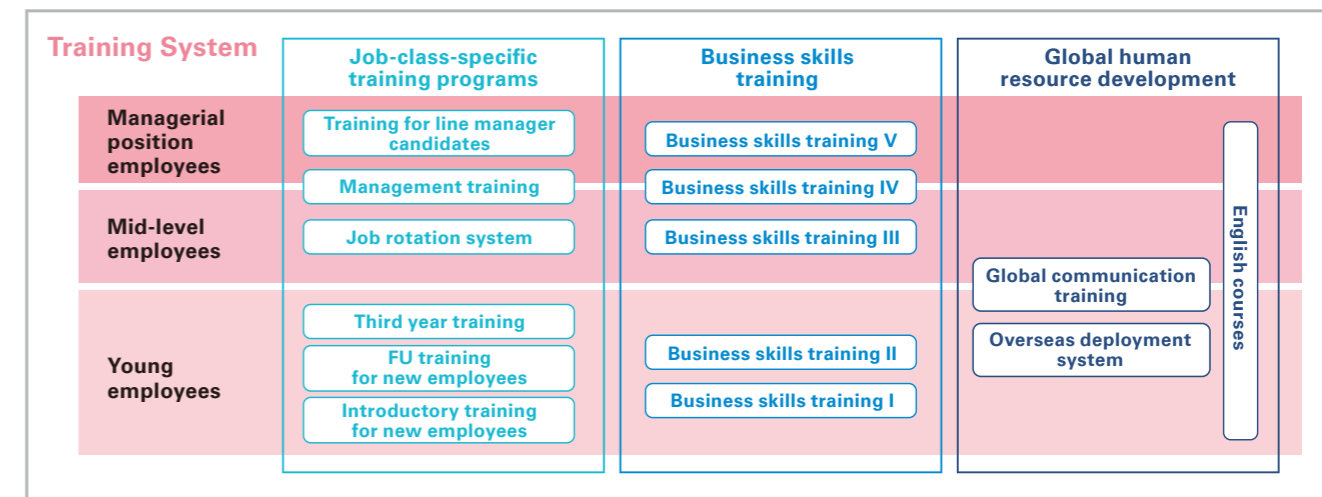
When I returned to work after the childcare leave that I took for my first child, my baby of less than one year old, whom I had just begun to leave at a day-care center, had a fever about 15 days every month. I began to use this system to balance childcare and work, with a strong supportive push from my superior.

Positive aspects of the system

I appreciate this system because it allows me to balance childcare and work when my child is sick and needs my care and attention but I don't want to be absent from work. Because I don't have to give up either of things, the system allows me to balance work and childcare more easily, enjoy both areas, and find my life fulfilling. I work shorter hours by using the Flexible Working Hours System to take my child to and from the day-care center or the pediatric clinic. I also find the Telecommuting System helpful because it allows me to take my child to the pediatric clinic from the day-care center, even after I have worked until the end of the business day.

● Initiatives for developing human resources

We have set "making them full-fledged in five years" as the goal for training young employees. We provide them with group training in their first and third years at the company, training on basic skills for specific types of job, and other training programs. We also provide job-class-specific training programs, including one for mid-level employees and one for those in managerial positions. In addition, from the viewpoint of fostering global human resources, we offer English courses and training programs related to cross-cultural communications and deploy young employees to overseas business locations.



Our Action Overseas deployment system

Overview of the system

We established this system in 2015 in accordance with the following objectives and began operating it.

Objectives

- Developing the international sensibility of trainees by having them experience working and living overseas as the groundwork for developing human resources who will manage overseas bases (including local subsidiaries) and projects in the future.
- The opportunities are provided to young employees (in their third to fifth year at the company) whose current jobs do not give them many opportunities to gain overseas experience.

Required achievement/goal

The achievement as the target of this system is to develop a comprehensive mindset and skills for fulfilling duties overseas by experiencing operations (including legal affairs, accounting, tax affairs, general affairs, and personnel affairs) and daily life in an overseas country, broadly and shallowly. It is not aimed at developing specialists in the destination countries or in the businesses of the companies to which they are deployed.



Average length of period of deployment :
6 months to 1 year

First half of 2017: 3 employees were deployed

Destinations	Period
Philippines/Group company	5 months
Indonesia/Project Site	5 months
Singapore/Group company	10 months

Voice



Shiori Ooiwa
Finance & Accounting Dept.,
Planning & Administration Div.
Mitsui E&S Shipbuilding

Feedback from an employee who has experienced the overseas deployment system

I was deployed to DASH Engineering Philippines Inc., a subsidiary in the Philippines, for around five months from May 2018. At this company, I was in charge of accepting Japanese employees on business trips to the Philippines and other personnel and general affairs, including procedures for deploying local employees to other countries. I was initially bewildered by the environment, where things that are normal in Japan are not normal, and I sometimes found myself useless because I was unable to proceed smoothly with work. However, based on the behaviors and ways of thinking of my local senior colleagues, I learned to look at the cultural differences behind the local employees' behaviors. I reminded myself that what is normal in Japan may be abnormal in the Philippines, and this gradually enabled me to proceed with the work. I feel that this experience allowed me to learn values that are important when working with people overseas.

Work Environment

Our actions aimed at creating safe, comfortable, healthy workplaces

● Initiatives for creating healthy workplaces

Under our basic policy on the safety and health management plan, we create comfortable workplaces by managing the physical and mental health of our employees in a proactive manner. We compile a database of the results of periodical health examinations, with which our occupational safety and health staff and health insurance association manage the health of individual employees thoroughly. To provide specific examples, they hold various seminars for preventing lifestyle-related diseases and provide individual employees with specific health guidance and instructions for preventing any increase in the severity of diseases. In addition, we operate the Health Attack program, which is aimed at helping all employees and their families, including those from Mitsui E&S Group companies, to improve their lifestyles. In this program, we have them select health challenges that are appropriate for each of them from among a wide variety of courses, and employees work on their assignment for two months. As a mental health policy, we conduct systematic workshops stress checks, mental health news publications, counselor interviews, etc. in a systematic manner. Further, the Mitsui E&S Holdings has concluded a blanket contract so that employees of the Mitsui E&S Group companies (approx. 10,000 employees) and their families can utilize an employee assistance program (EAP) service provided by an external resource (outsourcing service provider). In this service, consultations on physical/mental health and legal consultations are provided via telephone, website, facsimile, or in one-on-one meetings, 24 hours a day, with the privacy of the employees completely protected. We have provided this EAP service continuously for more than ten years.



Line care training session



Health Attack

EAP service



EAP service website

Our Action

Being recognized under the 2018 Certified Health and Productivity Management Organization Recognition Program (White 500)

Under this program, the national government recognizes outstanding companies that undertake efforts for health and productivity management. It aims to establish an environment in which such companies are able to gain enhanced public recognition, e.g. from employees, employment seekers, related enterprises and financial institutions, as organizations engaging in strategic health and productivity management program efforts for maintaining their employees' health from a management perspective. In recent years, we have been committed to promoting measures for preventing lifestyle-related diseases and any increase in the severity of diseases based on the data health plan, in a collaborative health promotion project with the health insurance union. As the Mitsui E&S Holdings Group, we will work on health and productivity management proactively from a management perspective, aiming to create workplaces that enable employees to enjoy working energetically.



● Aiming to create workplaces that enable employees to enjoy working energetically – A message from the director in charge of the Environmental & Safety Control Department



Shinsuke Minoda
Director, In charge of
Human Resources & General
Affairs Dept.

Mitsui Engineering & Shipbuilding, which celebrated its 100th anniversary in 2017, became a holding company in April this year, and we were reborn as the Mitsui E&S Group. We have retained the company philosophy of "To continue our role as a trusted company and as a trusted member of society." The group's code of conduct has also remained unchanged, being "to provide a safe, comfortable and healthy workplace for its employees."

Operating companies that have been spun off firmly maintain the basic policy of giving top priority to safety in human resources development and proactively working on physical and mental health management.

Activities for preventing labor accidents by Mitsui E&S Holdings Co., Ltd. (Mitsui E&S HD), which heads the group, include its president's safety patrol of each works of group companies, the participation of people from the Environment & Safety Department of Mitsui E&S HD in labor safety meetings at each works of group companies, and the promotion of patient activities for informing employees of 2S3tei ("seiri" for orderly, "seiton" for tidy, "teichi" for designated position, "teihin" for designated tools, and "teiryō" for designated amount), transmission of the philosophy for safety, and self-checking with finger pointing. In the field of occupational health, we are proactive in implementing measures such as the promotion of the data health plan and specific health guidance and the prevention of any increase in the severity of diseases, which are aimed at preventing lifestyle-related diseases, in a collaborative health promotion project with the health insurance union.

Since our days as Mitsui Engineering & Shipbuilding, a PDCA cycle of taking a high level of measures for health and productivity management, evaluating the measures and making improvements has been implemented under the initiative of each works. As a result, the Mitsui E&S Group was recognized under the 2018 Certified Health and Productivity Management Organization Recognition Program (White 500). We are extremely honored to be recognized in this way, and at the same time, we are determined to promote health and productivity management further from a management perspective as the new Mitsui E&S Group.

● Efforts to prevent labor accidents

Based on the MES Occupational Safety and Health Management System Manual, we maintain our basic policy on occupational safety and health for the overall company declared by the employer (president). Based on this basic policy, we have developed and introduced the Company-Wide Occupational Safety and Health Management Plan.

We have so far (until FY2018) held labor and management safety and health councils and conferences to discuss measures and to promote the plan. We have also informed employees of the plan and collected their opinions through the safety and health committee of each works, workplace, etc.

We have provided training relating to programs in a company-wide manner or at each work or workplace, and have also provided special training to young employees as necessary. We have also received flash reports of labor accidents from subsidiaries and shared the information to improve the safety level of the overall group. Depending on the results of the labor accidents, the safety and health inspection patrol was conducted by the Company-Wide General Safety and Health Manager and the director in charge of the Environmental & Safety Control Department.

When we became a holding company on April 1, 2018, we retained the previous basic policy on occupational safety and health as the policy of the overall group. We will evolve this basic policy so that each operating company will take more meticulous, advanced measures for preventing labor accidents under the new structure.

Company-Wide Occupational Safety and Health Management Plan

- Basic policy
Regarding corporate behaviors relating to safety and health, we will achieve the followings by instilling a safety culture in each workplace and fostering human assets:
 - (1) Safety first principle, for manufacturing and engineering practices
 - as top priority to safety
 - (2) Creating a comfortable workplace by proactively working on physical and mental health management
- High-priority issues
 - (1) Safety
 - 1) 2S3tei ("seiri" for orderly, "seiton" for tidy, "teichi" for designated position, "teihin" for designated tools, and "teiryō" for designated amount), discipline, and habit
 - 2) Transmission of the philosophy for safety
 - 3) Mutual warning and 3-nai management (3-nai literally means "3 don'ts," that is, "Don't allow unsafe behaviors," "Don't compromise by making excuses," and "Don't leave unsafe conditions unimproved.")
 - 4) With self checking with finger pointing
Particular emphasis shall be placed on the following:
 - i. Enhancing facilities for, and contents of, experiential safety training
 - ii. Assigning supervisors to positions exclusively for ensuring safety for a certain period
 - iii. Enhancing risk notice meetings before the starting of work
 - (2) Health
 - 1) Reinforcing the mental health care system
 - 2) Strengthening measures against overwork
 - (3) Each line manager shall set an example by declaring safety and health and implementing the workplace safety and health management plan and promoting the PDCA of the activities.

Specific measures in FY2018

- Concerning the Team Safety II activity, the president's prize were awarded two times during the year.
- Safety and health inspections are conducted by the central labor-management council every year at each work. Depending on the result of injuries of the previous year, intensive inspections were conducted at works with poor result.
- Safety and health inspection patrol of works were conducted by the president during the Safety and Health Promotion Months (July to August).
- Proposals for improvements were solicited during the period, and remarkable proposals were awarded by the president.
- The safety and health slogan for the year was solicited from the employees.

Our Action

Transmitting the philosophy for safety to young employees through patrols by the general manager

At the Chiba Works, young workers who have been with the company for less than five years join the safety patrol that is conducted by the general manager every Friday to receive one-on-one safety training. Activities in these patrols are aimed at raising the safety awareness of young workers and managing the safety of each work floor comprehensively. They include the general manager's explanations about the specific situations of accidents that have occurred in the past.



Our Action

Safety award granted to works

The Chiba Works achieved zero lost-worktime accidents in 2017. In recognition of this, the Chiba Works was awarded the Award of Excellence in Safety at the 21st Safety and Health Meeting that was hosted by the Shipbuilders' Association of Japan. In addition, the Engineering Headquarters (Mitsui E&S Engineering Co., Ltd.) achieved all targeted accident frequency rates among the annual labor safety and health management targets for 2017.



Our Action

Commending the best team in the Team Safety II activity

In the Team Safety II activity, which is implemented in a company-wide manner as a special measure in our labor safety and health activities, the team whose activities are recognized as the most excellent is granted the highest award (the president's prize).

