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We will all create a workplace where everyone wants to continue working.

Ideal	Human resource We will provide consistent fostering and strengthening of our employees, and enhance their human value to the development maximum extent.
	Human rights
	Labor We will endeavor to create a workplace that provides motivation and satisfaction in fair and impartial working conditions
	Safety and health >>>>>>> We will create a safe, pleasant work environment where employees can thrive in good physical and mental health.

Creating a Flexible Working Environment

Based on the Kawasaki Group Management Principles No. 3 "People: The Kawasaki Group's corporate culture is built on integrity, vitality, organizational strength and mutual respect for people through all levels of the Group. We nurture a global team for a global era.," Kawasaki strives to create a culture and environment in which its employees can continue to work positively, and we have introduced a variety of systems for this, and strive to enrich their content.

Developing Human Resources

The KHI Group thinks of human resources literally in terms of resources (treasure), and we provide comprehensive training and skill enhancement for all employees of whatever rank.

Enhancement of Managerial Capabilities and the Ability to Carry Out Business Operations (Training for Administrative and Technical Professionals)

During their first three years of employment, young administrative and technical professionals receive a combination of systematic on-the-job training (OJT) based on a mentorship system and various types of training courses to become a responsible staff member earlier.

Moreover, in addition to training for section managers, training for general managers, training for board members, and other forms of training for managers, we also periodically conduct multi-faceted observation surveys where opinions and evaluations about a manager from supervisors, subordinates, and colleagues are fed back and his or her strong points and areas that need improvement are recalled. Through these initiatives, we have been strengthening the skills of middle managers and fostering the development of candidates for management positions.

When it comes to carrying out everyday operations, we make use of communication, especially the Operational Goal Sharing Program (GMK, which stands for the Japanese words Gyomu mokuhyo kyoyuka), semi-annual face-to-face discussions between supervisors and subordinates, in order to develop skills through achievement of operational goals.



Training for General Managers

Improvement of Capabilities at Worksites (Training Production Professionals)

For production professionals, we have a system that encourages young workers to acquire technical qualifications early in their careers and a newly instituted "masters' system" of designating mature production workers with sophisticated, specialized skills as "masters" and having them pass their skills along to younger workers in a well-planned way. These are some of the ways in which we are trying to transmit and improve skills at production sites.

Our production professionals are also active participants in the Technical Skill Grand Prix and other outside technical skill competitions.



Technical Skill Grand Prix

Development of Global Human Resources

We aim to develop human resources who can support the global deployment of our business, and to that aim, we are shoring up our systems for early training of overseas employees, especially our "Overseas Personnel Training Program."

Diversity

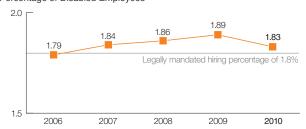
While we have continuously encouraged the success of all our employees, including women, the elderly, and the disabled, we established a new Diversity Promotion Section in April 2010 to be the organization that deals with further increases in diversity.

Hiring Women and the Disabled

We are making a concerted effort to hire women. The number of women hired and the number of women in the executive ranks have increased every year, and in the area of hiring in particular, about 30% of newly hired university graduates are women.

We are also striving to hire more people with disabilities, and have achieved a rate above the legally mandated percentage of 1.8%.

Percentage of Disabled Employees



Postponing Retirement and Employing Older People

Beginning in 2005, we have been raising the retirement age for rank-and-file employees in stages from the former 60 years of age to 63 years of age as of 2009. In a country where the majority of companies set their retirement age at 60, our postponement of retirement is a groundbreaking effort.

Even after retirement, employees may, if they wish, take advantage of our Post-Retirement Reemployment System and be re-employed until the age of 65. Implementing this system allows many older people to make use of their wealth of experience, pass on their skills, and engage in practical work.



Passing along skills through reemployment of retired employees

Employment of Mid-Career Workers

As part of our efforts to make use of diverse human resources, we also actively promote the hiring of mid-career workers. There is no distinction between new graduates and mid-career workers in terms of wages and benefits, and these workers can make use of the skills and experience they already possess and succeed with their ability to "hit the ground running."

Support for a Balanced Working Life

We want all employees, both men and women, to be able to combine work and childrearing and stay on the job, working enthusiastically and energetically. For that reason, we provide a wide variety of programs to support rearing the next generation and balancing work and family life.

Our childcare leave system, in particular, goes beyond the details of the legally mandated system, and we have instituted programs to support the return to the workplace of employees who have taken childcare leave. These groundbreaking efforts have been favorably received, and in 2006, we were awarded the Director's Award of the Hyogo Prefectural Labor Office.

The planning stage of our Action Plan for Support for Rearing the Next Generation, formulated in 2005, ended in March of this year, and the Director of the Hyogo Prefectural Labor Office certified us for our support of childrearing. In April of this year, we formulated a new Action Plan, and we will continue taking an active role in supporting the rearing of the next generation.

These efforts are not only applicable to childrearing. Similar programs are available to employees with elderly or ill family members who require home care, and we provide many kinds of support for maintaining a balance between working and caring for family members.



The Hyogo Labor Office Director's Award (medal)



The Hyogo Labor Office Director's Award (during presentation of the case studies)

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Creating a Lively Workplace Atmosphere

We strive to provide a workplace atmosphere in which employees can exercise their abilities to the greatest possible extent.

Encouragement of Employees to Take Advantage of Their Paid Vacations

We encourage employees to plan and take their annual paid vacations, so that they can refresh their minds and bodies and strike a balance between their work and private lives.

As one of these efforts, we began our Consecutive Vacation Days for Refreshment program in April 2008. Employees can request their vacation in advance at the beginning of the year so that they can take the vacation without constraint. Until FY2007, one day was provided as an anniversary holiday, but we have now expanded this to a two-day vacation.

Moreover, in April 2010, we increased the number of annual paid vacation days from 21 days to 22 days. as we continued to encourage employees to take vacations.

Creation of a Workplace that Facilitates Work

We aim to create a workplace that allows employees to do their jobs easily and without harassment. In addition to providing guidance and consciousness-raising through training sessions, we have instituted additional efforts, such as setting up a Sexual Harassment Counseling Service.

We also make use of training sessions for new employees and for various classifications and levels of current employees to raise awareness of human rights issues.

Communication between Management and Employees

We believe that it is important for top managers to share their thoughts, guiding principles, and information about management and other matters with all employees as soon as possible in order to create a lively and vital workplace environment. We use our intranet and internal bulletins to share information in a timely manner and to ensure dissemination of messages from top managers. We strive to ensure that correct information is transmitted to everyone by providing a variety of opportunities for consultations between labor and management, where managers can explain their guidelines and management information.

Yet it is also important for requests and other communications to be transmitted from employees to managers. Here, too, consultations between labor and management allow labor unions to convey employees' wishes and opinions. In addition, we conduct surveys of employee satisfaction every other year and use the information when considering policies and actions.



Central Management Consultation Committee



Associate Officers with the President and Vice-president at the center

Creating a Safe Workplace Where Workers Feel Comfortable and Secure

The KHI Group has proclaimed that protecting the safety and health of its employees comes first, and we try to create a workplace atmosphere that prioritizes health and safety and to make sure that the working environment is a safe and comfortable one, where one can work with "a sound mind in a sound body."

Efforts to Prevent Occupational Accidents

Reliable Implementation and Deployment of Occupational Health and Safety Management Systems

By continually administering and improving our occupational health and safety management systems, we are improving the system standards and implementing a reliable safety and health management, thus striving to prevent occupational accidents and create comfortable workplace environments. In particular, we are enhancing our risk assessment efforts and thoroughly eliminating any latent risks present in the workplace in order to achieve and maintain fundamental safety.

Continued Execution of KSKY Activities

Since 2002, the execution of KSKY activities is one of our most important policies for safety. The letters of KSKY stand for the first letters of Japanese words meaning "basic rule" for K, "pointing and calling" for S and "predicting danger" for KY. The purpose of these activities is to ensure thorough compliance with basic safety rules and safety checks, enhance sensitivity to danger and toxicity, encourage every employee to willingly participate in safety actions and create a workplace that is able to promote "mutual cautioning" among employees as a standard practice.

3 Promoting Education That Simulates Experiences of Danger

By making employees understand the dangers in their workplaces through the use of simulated experiences of danger, we are seeking to raise safety awareness and striving to prevent occupational accidents that are caused by unsafe behaviors. Furthermore, we are installing more

devices and facilities to achieve more efficient education that simulates experiences of danger.



Education that simulates experiences of danger

Health Advice and Efforts in Mental Health Care

Providing a Variety of Health Classes

As one of our corporate-wide THP (Total Health Promotion) efforts, we are holding classes on health in order to promote health management. These classes include a class on dental hygiene, a class to quit smoking, as well as a class to improve the dietary practices of younger people or to improve high blood sugar for new employees and employees that shows signs of having lifestyle diseases based on the results of regular health diagnoses.

2 Implementation of Stress Checks

During regular health diagnoses, we check the stress level of employees in their daily lives, and industrial physicians interview employees with high stress levels and provide them with individual guidance. Furthermore, we have implemented efforts to relieve stress in the workplace using work stress diagnoses. In addition to these efforts, we have been conducting group education for managers and education through E-learning about line-care, self-care and other topics.

3 Implementation of Fatigue Accumulation Self-diagnosis

We require people who work long hours to conduct Fatigue Accumulation Self-diagnosis Checks. Industrial physicians interview employees with high levels of accumulated fatigue and provide them with individual guidance.



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