

Social (Human Resources)

Fuji Electric focuses on creating workplace environments in which human rights are respected and occupational health and safety are assured. In addition, we acknowledge that diversity is important to the Company's global growth. We therefore aim to incorporate an array of values and perspectives so we can strengthen our competitiveness. Furthermore, recognizing that human resources are the prime driver of our competitive edge and placing diversity as a top priority in our personnel strategy, we will actively cultivate each of our people to fully harness their potential.



Safety patrol

Respect for Human Rights

The Fuji Electric Code of Conduct states that we should "Respect and value all people." This statement makes clear Fuji Electric's commitment to respecting the basic human rights of everyone at the Group as well as those of all the people it interacts with. In addition, the Policy for Human Rights of the Employees, which expands upon the human rights-related policies of the Fuji Electric Code of Conduct, is being implemented throughout the Group to ensure human rights are respected.

Training and Education

Recognizing workplaces that respect human rights and are free of discrimination and harassment as the basis for all business activities, we continued to implement e-learning programs on harassment for all domestic employees that have not yet undergone this training.

In training for management-level employees, we held group discussions that used case studies to promote understanding with regard to human rights risks from the perspective of human rights needing to be considered during the course of business activities.

Numbers of Employees Undergoing Human Rights Training (FY2016)

Level-specific training (new employees, supervisors, managers)	574
Harassment training (e-learning)	3,639
Training held by human rights organizations and municipal government agencies	43

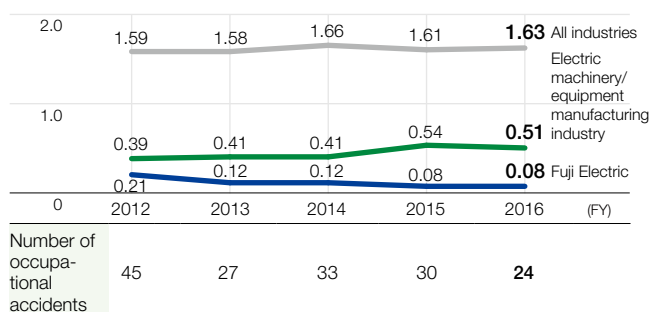
Occupational Health and Safety

Fuji Electric's basic philosophy is that of the "health and safety of workers takes precedence over everything else," positioning occupational health and safety as a top priority for the Company. In line with this philosophy, we actively communicate the principles of our Health and Safety Basic Policy both inside and outside of the Company.

Ongoing Health and Safety Education and Workplace Safety Patrols

The Company plans and implements occupational health and safety education programs that utilize a practical curriculum throughout each fiscal year. In fiscal 2016, in addition to the regular occupational health and safety education program, a seminar on transportation-related issues was held for managers and drivers, and an aggregate total of 2,956 individuals participated in this seminar. Furthermore, we provided opportunities for occupational health and safety representatives from different fields to inspect each other's factories while also actively conducting safety patrols at domestic and overseas construction sites as well as at overseas bases in China, Southeast Asia, and other areas. As a result, the number of occupational accidents decreased for the second consecutive year.

Frequency Ratio of Occupational Accidents (in Japan)



Health Management and Mental Healthcare

At Fuji Electric, 100% of employees undergo legally mandated regular health examinations. In addition, we provide examinations using state-of-the-art tests and procedures and offer

health guidance to those employees for which health concerns have been pointed out. In this manner, the Company seeks to help employees prevent lifestyle diseases.

Promotion of Diversity

Expanding our business on a global scale will require that we bolster our competitiveness by building a team that is diverse not only in terms of nationalities and genders but also in terms of sensibilities by incorporating individuals with differing beliefs and manners of thinking. For this reason, promoting diversity has been made a top priority in our personnel strategy.

Hiring of Local Employees Overseas

As the Company globalizes its operations to grow and expand its business, Fuji Electric is cultivating locally hired employees and promoting them to management positions so that they can support operations at overseas bases. Local hires fill top management positions at Fuji Electric Corp. of America and Fuji Electric India Private Ltd., and we are currently increasing the number of local hires in management positions in China and

other parts of Asia. These practices help us develop businesses that are closely tailored to the countries and regions in which we operate.



Locally hired staff at Fuji Electric India Private Ltd.

Employment of People with Disabilities

The Company encourages lifetime employment for people with disabilities. We therefore promote hiring and ongoing employment of people with disabilities. In fiscal 2016, we commenced hiring of people with disabilities at the Yamanashi Factory and otherwise continued to expand the scope of duties that can be performed by such individuals in manufacturing, back-office, and other divisions of operating sites across Japan. As a result, 11 people with disabilities were hired (eight new graduates, three mid-career hires).

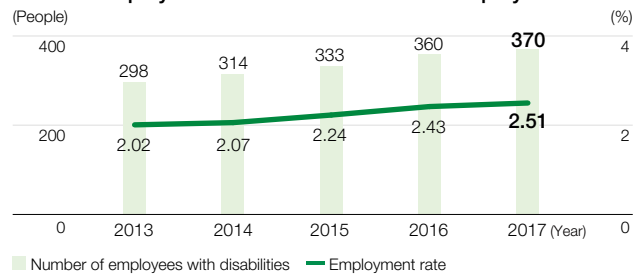


Forklift operation

Major Initiatives

- Ongoing expansion of the scope of duties that can be performed by people with disabilities
- Training for supporting independence

Ratio of Employees with Disabilities to Total Employees



Empowerment of Female Employees

The Company deployed a project for promoting hiring of women with educational backgrounds in science and engineering and also offered internships to help it secure such employees.



Meeting held as part of the mentor system for women employees

In addition, we supported the career development of female employees by holding meetings with new and mid-level female employees that were potential management candidates and determining who among these would be applicable for additional career development support.

Going forward, we will formulate career development plans for all applicable individuals to help them move ahead in their careers.

Major Initiatives

- Project for promoting hiring of women with educational backgrounds in science and engineering led by a team of female employees with similar backgrounds
- Mentor system in which more experienced female employees mentor newer employees
- Enhanced and systematic cultivation of female managers
- Level-specific educational programs (new employees, mid-career hires, newly appointed supervisors, newly appointed managers)

Female Employees and Managers

	FY2015	FY2016	FY2017	FY2020 Target
Number of full-time employees	14,260	14,057	13,907	—
Number of female employees	1,764	1,737	1,725	—
Ratio of female employees	12.4%	12.4%	12.4%	—
Number of newly hired female employees*	36	31	31	—
Ratio of female employees among newly hired employees	23.4%	16.9%	14.2%	20%
Number of female employees in management positions*	46	48	48	—
Ratio of female employees in management positions	1.7%	1.9%	1.9%	3.0%
Number of female employees in supervisory positions*	172	192	215	300

Data collected from: Fuji Electric, Fuji Electric FA Components & Systems, Fuji Office & Life Service, Fuji Electric IT Center, Fuji Electric Finance and Accounting Support, Fuji Architect and Engineering, Fuji Electric Frontier
 Number of newly hired female employees refers to graduates from universities or technical colleges; Number of female employees in management positions refers to employees of manager rank or above; Number of female employees in supervisory positions refers to employees of assistant manager class or above
 * Companies hiring new female employees: Fuji Electric and Fuji Electric FA Components & Systems

Inclusion in the Nadeshiko Brand for Two Consecutive Years

In 2017, Fuji Electric was selected for inclusion in the Nadeshiko Brand for the second consecutive year.

Conducted jointly by METI and the Tokyo Stock Exchange, this program recognizes companies that exhibit excellence in empowering female employees and that are pursuing medium-to-long-term improvements in corporate value.



Socail (Human Resources)

Promotion of Work-Life Balance

We are strengthening initiatives to help employees achieve work-life balance by creating workplace environments that are more conducive to the efforts of diverse employees and that enable people to fulfill their potential. We encourage a workstyle of focusing on one's job while at work and resting properly outside of work. Accordingly, we have defined workstyle reforms and support for work-life balance as priority issues, and we are seeking to address these issues by improving upon systems and the corporate culture while promoting collaboration between labor and management.

Workstyle Reforms and Work-Life Balance Support

In fiscal 2016, the Company analyzed workstyles on the workplace and individual levels with the aim of addressing the issue of excessive work hours. Follow-up activities were conducted on a monthly basis after analyzing issues to ensure overtime work was handled appropriately. We have also introduced the following new systems for enabling employees to exercise flexibility in their work hours and location.

- Location Flexible working systems (enable work in satellite or home offices)
- Rehiring request registration system

■ Platinum “Kurumin” Certification

Fuji Electric has acquired Platinum “Kurumin” certification from the Ministry of Health, Labour and Welfare. This certification is bestowed upon companies that already possess standard “Kurumin” certification, have since made progress in introducing and promoting use of work-life balance systems, and are implementing superior initiatives.



Major Initiatives

- Acceleration of initiatives for reforming workstyles and promoting leave acquisition
- Encouragement of male employees to take leave for childbirth by spouses and establishment of consultation venues at bases
- Pair work training for employees returning to work after childcare leave and their supervisors
- Level-specific educational programs (new employees, mid-career hires, newly appointed supervisors, newly appointed managers)

Paid Vacation Days Acquired Annually and Average Overtime Work Hours in Japan

	FY2014	FY2015	FY2016
Paid vacation days acquired annually	13.9	13.8	14.3
Average overtime work hours	23.08	23.11	22.07

Numbers of Employees Using Childcare and Long-Term Care Support Systems in Japan

	FY2012	FY2013	FY2014	FY2015	FY2016	FY2020 (Target)
Childcare leave (of which, male)	111 (1)	123 (3)	105 (3)	105 (2)	117 (9)	–
Shortened hours for childcare (of which, male)	173 (0)	183 (1)	189 (2)	211 (1)	219 (1)	–
Long-term care leave (of which, male)	2 (1)	3 (2)	4 (2)	3 (1)	7 (3)	–
Leave for childbirth by spouse (% of total applicable employees)	–	141 (54.0%)	173 (57.9%)	168 (59.8%)	189 (66.1%)	– (90.0%)

Data collected from: Fuji Electric, Fuji Electric FA Components & Systems, Fuji Office & Life Service, Fuji Electric IT Center, Fuji Electric Finance and Accounting Support, Fuji Architect and Engineering, Fuji Electric Frontier

Human Resource Development

Fuji Electric views the development of employee skills as a top priority for management. Training at Fuji Electric is intended to give form to the corporate philosophy and management policies and to cultivate professionals that can contribute to increased global competitiveness. We are thus proactive in offering education and training opportunities for employees.

Training and Education Systems

A wide range of education and training opportunities are provided to employees. In addition to on-the-job training at workplaces and the unique education programs of specific business divisions and bases, we also offer level-based programs on a cross-Company basis and for specialized fields. In fiscal 2016, we took steps to cultivate globally competent employees in order to further the growth of overseas operations. Promising young employees working in the fields of engineering, sales, and production with the potential to become central figures in the future were selected from among the domestic employee base. These individuals were dispatched to bases in Europe, the United States, or Asia for one-year stays during which they acquired overseas operating skills. Furthermore, those employees to be sent overseas from Japan for the first time were given preparatory training. This training focused on the importance of appreciating and cooperating with others regardless of cultural differences as well as on compliance issues.

Major Initiatives

- Level-specific training (when receiving promotions or joining the Company, during 3rd year, etc.)
- Selective training (future management candidates)
- Specialized field training (engineering, business skills, etc.)
- Preparatory training for overseas dispatch

Numbers of Employees Undergoing Training (Fiscal 2016)

Level-specific training	929
Selective training	27
Specialized field training	3,482
Preparatory training for overseas dispatch	73