Labour Practices

KDDI is committed to being a company at which all employees feel motivated to work and are able to realize their full potential. To this end, it implements employee education programs and strives to develop the best workplace environment possible.



Material Issue 4 Vitalizing the Company by Developing a Diverse Workforce

KDDI takes part in a number of initiatives aimed at providing a workplace that is invigorating for all employees. We promote a work-life balance and workforce diversity, reflect employees' opinions in our personnel systems, and seek to cultivate our human resources.

Promoting a Work-life Balance

Support for Childcare and Home Care

KDDI has in place a broad range of systems designed to help employees balance work with other commitments, such as childcare and nursing care. These systems include maternity leave, childcare absence, shortened working hours for childcare and child nursing care leave, as well as home care absence, vacation time, and shortened working hours for nursing care.

While on childcare leave, employees use a dedicated site so that they can maintain communication with their superiors and take part in e-learning courses. Systems such as these help to ease the sense of uncertainty that employees may feel while on leave.

In May 2011, we instituted a system of variable working hours that can be adjusted on a monthly basis for employees on shortened working hours for childcare or nursing care. The scheme is flexible and allows employees to adjust working hours to their availability.

Number of Employees Using the Childcare and Home Care Support System

					(Peopie)
Program		Gender	FY2009	FY2010	FY2011
Childcare	Maternity leave	Women	129	140	143
	Childcare absence	Men	3	3	9
		Women	241	248	253
	Shortened working hours	Men	1	3	2
	for childcare	Women	172	305	342
	Child nursing care leave	Men	644	729	634
		Women	296	313	322
Home care	Home care absence	Men	1	3	3
		Women	2	0	4
	Home care leave	Men	_	72	100
		Women	_	21	28
	Shortened working hours	Men	0	0	0
	for nursing care	Women	0	1	2

Conducting Forums for Employees Returning after a Childcare Absence

In June 2011, KDDI held a "Forum on Returning after a Childcare Absence," to ease the transition back to work for employees who have taken childcare absences. We also held a "Forum Prior to Returning from a Childcare Absence" in March 2012.

These forums are designed to help alleviate concerns that returning employees may experience about balancing work and home life and to encourage employees returning from childcare absences to think about their working styles once they return. Employees who have themselves returned after this type of absence along with their immediate managers take part in panel discussions, providing a wealth of experienced advice from a variety of perspectives.

The forum prior to returning, held to assist the preparation of

employees who will soon be returning after a childcare absence, includes career seminars conducted by external lecturers and discussions with other employees who have returned after an absence.



Forum on Returning after a Childcare Absence

Held "Course on Balancing Work and Nursing Care"

KDDI held its "Course on Balancing Work and Nursing Care" three times during November and December of 2011. Distributed live via streaming video, the courses were intended to raise employee awareness of nursing care issues and encourage them to consider the need to balance work and nursing care.

Outside lecturers were invited to share their understanding of the fundamentals of nursing care and necessary attitudes. The courses helped to enhance understanding about balancing three factors: work, nursing care, and personal life.

Telework Program (Working at Home)

KDDI has introduced a telework program to allow employees to work flexible hours and to boost operational efficiency.

In June 2011, KDDI expanded its network to make the system available to all employees. Taken from the perspective of business continuity, this extension was designed to enable employees to continue working even if travel to the Company was hampered by disaster or other situation.

Adjustable Work Hour System

KDDI wants its employees to use their time at the Company effectively by improving their productivity and aims to prevent them from working long hours. To encourage this behavior, we have introduced a "Adjustable Work Hour System," through which an employee's prescribed number of working hours differs every month or every three months according to their working duties. In addition to the system that we put in place in May 2011 to shorten working hours for employees responsible for childcare or nursing care, the system of variable hours is designed to allow employees flexibility in choosing the number of hours they work.

Promoting Diversity

Our Perspective on Diversity

KDDI recognizes the promotion of diversity as an essential corporate strategy for achieving sustainable growth. We work to create an organization and an environment that allows each employee to maximize his or her skills and that respects and leverages individual differences.

Promoting the Advancement of Female Employees

At KDDI, an internal project called "Win-K" is designed to promote the advancement of female employees by "creating a workplace environment that celebrates and takes full advantage of the power of the individual."



Forum held in an outlaying prefecture

During FY2009, KDDI conducted an awareness survey of all employees, including men, as well as e-learning courses and forums to encourage awareness and promote networking among employees.

Forums were held in eight regions in FY2011. Taking the form of panel discussions, these meetings were designed to encourage enthusiasm for their work among female employees by interacting and exchanging opinions with others. In March 2012, a forum was held at Company headquarters under the theme of "Maximizing Company Output: Moving on the Next Stage." KDDI's president spoke to forum participants, as did female directors from other companies. The gathering provided an opportunity for participants—including directors and male employees—to exchange opinions on the theme of promoting the advancement of female employees.

In FY2011, KDDI's female managerial ratio rose 0.4 percentage point, to 3.2%, up for the sixth consecutive year. We are working toward a target of 7% by FY2015, as we aim to create an environment that is easy to work in, regardless of gender.

Creating a Workplace that Encourages the Development of Employees with Disabilities

KDDI conducts a "Workplace Survey of Employees with Disabilities" throughout Japan as part of its efforts to create a workplace that encourages the professional development of employees with disabilities. In these surveys, managers from the Diversity & Inclusion Department, which is within the Human Resources Department, speak directly with employees with disabilities and conduct hearings in which they speak with their direct supervisors about their everyday conditions. They then interview the employees and take follow-up action. Going forward, we will conduct such activities regularly to ensure the steady progress of these employees following recruitment.

In FY2011, KDDI's employment ratio of people with disabilities was 1.95%, the same level as in the preceding year.

Training and Cultivating Locally Hired Employees

The KDDI Group is placing an emphasis on cultivating employees who have been locally hired overseas.

We provide training that is differentiated according to employees' positions and skills. An understanding of the KDDI Philosophy forms the basis for training, which is augmented with training on practical skills, including business strategy and an understanding of services. We also provide training for local managers that is aimed at cultivating an understanding of Group strategies and the improvement of management skills and management training that cultivates human resources for leadership roles as location managers.

Through group training, we also foster interaction among personnel at overseas locations.

Leveraging the Skills of Senior Employees

KDDI has in place a "reemployment" program for employees who have reached the retirement age of 60, enabling them to work as non-regular employees until age 65. This system employs open recruiting, allowing the employee to select their desired job type and activity. Through this system, more than 200 former full-time employees are working throughout the Company and providing the benefit of their skills and experience in a host of workplaces.

We also hold career development support seminars to motivate employees aged 55 and older.

Creating an Environment with Ideal Working Conditions

"KDDI Kaitai Shinsho" Employee Awareness Survey

KDDI inaugurated the "KDDI Kaitai Shinsho" awareness survey targeting all employees in FY2009. We also conducted this survey in FY2011, under the theme of "Is the Company Changing?".

A large number of employees responded that they believed KDDI had "improved" in such areas as corporate momentum, information sharing, and decision-making speed. In this survey, however, in addition to recognizing changes in the business structure, employees indicated that they felt that forward movement on improvements in the corporate culture and workplace environment had stalled.

We published the results of this survey on the Company intranet, as well as in our internal newsletter. We also conducted level-based training for employees and directors to communicate the issues that the survey had identified and to help invigorate the workplace.

Companywide Training on Organizational Climate Reform

In June 2011, we included "training on organizational climate reform" as an element in training programs for all employees, from young recruits through to directors. This training's objective is to cultivate an organizational climate in which each employee is invigorated and takes pride in their work. It encourages employees to take the initiative in considering what needs to be done, to set their own goals, and to work on their own.

Direct Communication

KDDI seeks to foster a sense of togetherness throughout the organization (strengthening lateral ties across the workplace) through "direct communication" at locations around Japan. Divisions and branches freely plan combinations of events including "meetings," "training camps," "lecture meetings," and "calls to action" that provide an opportunity for interaction among divisions and a chance to air opinions frankly.

Employee-management Dialogue (Direct Meetings)

KDDI conducts "Direct Meetings" to encourage the candid exchange of opinions between employees and management. In FY2011, exchanges of opinions took place on various themes, such as the organizational climate and business continuity plans (BCPs). Through such meetings, we aim to reflect employee feedback

in management, as part of our effort to build a better workplace environment.



Direct Meeting in session

Enhancing Environment for the Internal Sharing of Information

We have augmented our communication tools to enhance the internal sharing of information via streaming video and in-house SNS*.

This enables employees to view announcements of Company direction and other information at their own PC, either live or on demand, and also allows them to easily access employee opinions and information about other departments as well as meeting materials.

This approach facilitates the smooth and swift sharing of messages from management and internal information.

* Social Networking Service (SNS): A web-based service for cultivating interaction between people

Occupational Safety and Health

Employees' Health Management

KDDI provides health guidance to employees who undergo regular health checks. We have also reinforced our efforts targeting the prevention of lifestyle diseases, complying with the legal requirement to provide Special Health Checkups and Special Health-maintenance Guidance that went into effect in FY2008.

We also have a Healthcare Room and a Refresh Room to encourage employee health maintenance and recovery. Employees can take a temporary rest in the Healthcare Room when they are

not feeling well, and receive firstaid care and health counseling. At the Refresh Room, nationally qualified masseurs (health keepers) work to ease away back and neck aches and soothe tired eyes, helping to promote employee health.



Refresh Room

Promotion of Mental Health Care

Throughout society, an increasing number of people suffer from mental health issues. In response, at its Employee Counseling Center KDDI conducts counseling, proactively encouraging selfcare and line care. We also require employees working more than a prescribed number of hours to consult with industrial physicians and medical staff to preempt any mental health problems. We have set up the "Mind Clinic" site on our company intranet as a repository of information related to mental health, including stress checks and other types of self-care and line care, to cultivate employee awareness of this issue.

Human Resource Cultivation

Self Career Produce System (SCAP)

In FY2008, KDDI introduced a Self Career Produce System (SCAP) to spark employees' enthusiasm and evoke a spirit of challenge by enabling them to chart their own career courses. The system

enables employees to transfer to departments of their choice after they have accumulated a certain amount of experience in their current positions and have earned positive evaluations. During FY2011, approximately 130 employees took advantage of this system.

Management by Objectives System

Under a system of management by objectives, employees and their supervisors meet to determine an employee's "personal objectives," which feature a combination of Company and organizational targets and individual targets for the employee, and are designed to encourage a sense of challenge that will spur employees on to further efforts toward personal growth. This system is linked with employee evaluations. Since FY2009, the results of this system have become apparent, and we intend to continue promoting this system because of its process-focused performance, as well as the way in which it encourages fair and highly transparent personnel evaluations.

Overseas Dispatch Employee Education Program

KDDI first established a program through which employees are given the opportunity to gain experience at overseas operating sites in FY2010. This system aims to cultivate and expand opportunities for global human resources and foster employee efforts to develop their careers on a global stage.

The system is open to employees who have achieved a predetermined number of years of work experience and who pass an internal examination. Following work experience and training in divisions related to international operations in Japan, successful candidates are assigned to Group companies overseas, taking into account the Company's needs and their own aptitudes.

Global Human Resource Cultivation Measures in Japan

KDDI refers to departments in Japan that have a need to quickly cultivate human resources capable of functioning on the global stage as "Global Zones." Working with the Company's personnel department, these "Global Zones" conduct intensive training in languages and global competency (such as communication, interpersonal skills, and response to diversity). Employees in these "global zones" also undergo skills training tailored specifically to the needs of individual divisions.

The Company holds various seminars and preparatory courses to enhance the language skills of all employees, introduces staff to language training programs, subsidizes TOIEC exam-taking, and provides support in other ways.

Overseas Study Program

KDDI has introduced two overseas study courses, "Business Study Abroad" and "Specialized Study Abroad."

Under the "Business Study Abroad" program, employees attend an overseas university for 3–4 months and interact with a

number of global businesspeople. Through this process, the program aims to encourage employees to learn about global standards for business ethics and frameworks, as well as to master business promotion methods.

Employees taking advantage of the "Specialized Study Abroad" system spend about a year at an overseas university or specialized institution. They participate in advanced research and development in areas that the Company deems necessary, gaining sophisticated specialized expertise. The training is aimed at helping employees acquire up-to-date international skills and certifications.

Seven employees participated in these programs in FY2011.

Overseas Trainee System

By allowing employees to take part in sales operations, technical support, and through other practical experience, the overseas trainee system helps them learn more diverse values and different business practices. This experience is intended to cultivate superior human resources who have global sensibilities and can conduct business smoothly under such circumstances.

This training is offered to young employees who have a certain number of years of experience. In principle, they are dispatched to overseas locations for a two-year period. Their destination is determined according to the appropriateness and requests of the operation to which they will be assigned. At the end of their dispatch period, employees return to their original organization to apply the experience they gained as trainees. During FY2011, the program helped to boost the skills of the 10 new employees who participated.

VOICE Stakeholder Feedback from Experience of an Overseas Trainee



Takahiro Deguchi (Back row, center) Qingdao Branch KDDI CHINA CORPORATION (At time of overseas training)

During my two-year training period, I spent the first year in Beijing, taking part in language training and learning business basics through on-the-job training. The second year, I worked in Qingdao, in charge of proposing solutions to customers at the local branches of Japaneseaffiliated companies. The languages are different, but the ways we provided solutions to customers. are the same as those in Japan. That said, I frequently struggled with common practices and values that differ between Japan and overseas. When facing these difficulties, the support and teamwork of my local colleagues helped me adopt the mental attitude I needed to push forward on my own. Through this experience, in addition to communication skills I learned the importance of cultivating people skills. I learned how to benefit from friendly competition, as well as by strengthening my own efforts, and this valuable experience renewed my sense of purpose.