

Daikin Texas Technology Park



Transforming the HVAC Industry

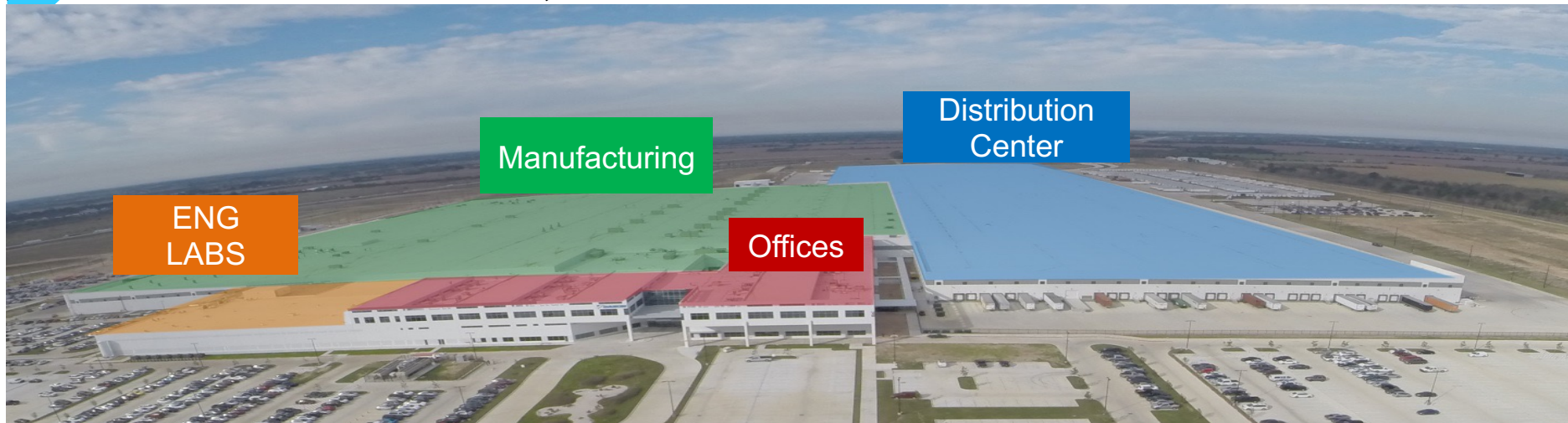


**U.S. Based
Employment Growth**



**Over \$500M
Investment**

Daikin Industries, Ltd. – A Global Leader and Innovator



- Daikin Texas Technology Park (DTTP)
- 4.2M Square Feet
- 3rd Largest US Tilt wall
- *Fun Fact* – Can hold 74 football fields

Air Innovation Happens at Daikin

Residential - providing residential air conditioning solutions to make inside air feel perfect, in any space

Light Commercial and Commercial - leading the industry in efficient, easy-to-use air conditioning systems

Applied/Industrial - offering custom solutions to help make your building – and your people – more successful

Decades of Industry-Leading Innovation - building on decades of innovation, pioneering technologies that set new innovation standards for the North American HVAC&R industry for sustainability and quality of life



Who We Are...



Delivering hassle-free, customer-first solutions.



- Turn-key HVAC management solution
- Matches HVAC work with contractor network
- Multi-family solution



- System Design Resources
 - New/ & Replacements
 - Integrated Controls
 - Planned Maintenance

Core Strength People-Centered Management

Ever Onward — Our growth is achieved through clear management strategy

“



One of the most important roles of management is to establish a worksite where employees at Daikin can feel the greatest fulfillment in life and an environment in which they can work with vitality and demonstrate their full potential to achieve growth.



***“Engaging the Entire Business:
Hiring is Not Just an HR Problem”***



Manufacturing Hiring Situation

- **Hiring challenges before COVID-19 started**
 - Consolidated four factories into one campus
 - Northwest of Houston, no bus lines
 - Underestimated available workforce
 - Establishing new MFG processes, the *Daikin* way
 - Needed 1,000 additional workers to staff new product assembly lines
- **And then there was...**
 - COVID-19
 - Increased Product Demand
 - Increases in wages and incentives
 - Government stimulus and benefits

Current Situation – Very Challenging



- Ramped up 518 FTE's – Dec '20 – Feb '21, new hires and temp conversions
- Total on roll or showing up leveled out in June, higher absenteeism
- New hire adds fell in Feb '21, remained flat most months since
- Weekly attrition started to surpass hires
- Hiring and MFG data tracked and reported weekly in CEO Staff Meeting

From Pointing Fingers to Joined Hands

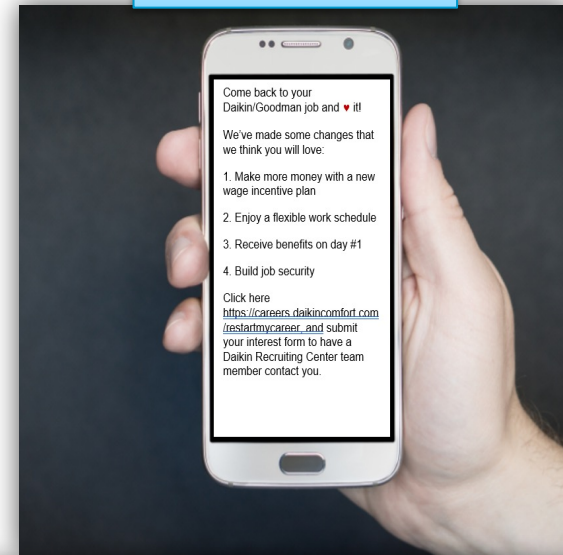


- HR and MFG, working together for 2 years on people situation
- Reporting detailed people challenges, at minimum, during weekly senior staff meeting
- Some input from other business units about gaps and countermeasures
- Conversation changes when people challenges start affecting the success of other groups

Collective Efforts – Corporate Marketing

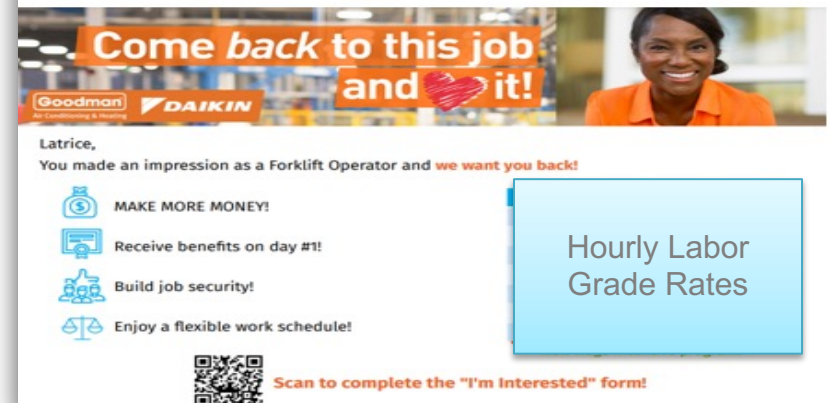
- Engaged Corporate Marketing Team and resources
- Budget covered by Corporate Finance
- Joint campaign with HR, MFG, agreed upon audience, targets, KPI's
- Targeted prior employees with “win-back” campaign with texts and direct line to HR for rehire – 129 returned
- Postcards and mailers to high potential zip codes

Text Alerts



Postcard Mailings

■ LG2 Postcard – Front



Hourly Labor
Grade Rates

Community Partners

DAIKIN **Goodman**
a member of **DAIKIN** group

JOB FAIR

Saturday MAY 1 2021 | **10 - 4**
a.m. p.m.

HCC **HCC Spring Branch Campus**
1010 West Sam Houston Pkwy N
Houston, TX 77043

We are interviewing for both hourly and exempt positions.

For more information visit daikin-northamerica.com/jobfair

Engineers
Assembly Line Workers
Managers & Supervisors
Team Leads
Forklift Drivers
Production Operators

SAME DAY OFFERS
for some positions!

Or scan this QR code

.....as well as other positions!

Sponsored by:
Commissioner **Tom S Ramsey, P.E.**,
Harris County Precinct 3

Co-Sponsor:
HCC Trustee, **Dr. Pretta VanDible Stallworth**, District IX

Please note the following event rules:

- Temperature checks and symptom screening upon entry
- Masks worn at all times
- 6 feet of social distance to the extent possible
- Other measures as appropriate

Thank you
Congresswoman Sheila Jackson Lee for your amazing help with transportation!

- Leveraged community relations team to engage key partners
- Hosted large job fairs at local major community college in populated area of Houston
- Engaged local media contacts
 - Multilingual radio stations
 - Television interviews / ads
 - Marketing partnerships (Houston Texans)
- Recruited company volunteers from all business units
- Mandatory participation for senior leaders

Solving Hiring Barriers

- DTTP location created transportation challenges to interested workers
- No public transportation options
- Partnered with Procurement to source private buses, company-paid
- With support from Community Relations team, secured parking spots with Houston Metro park & ride locations for bus pickup
- Three active bus routes, currently reviewing the long-term efficacy



Bus Service

Enjoy a stress-free commute to work!






Through a partnership with Houston Metro, getting to and from the Daikin Texas Technology Park is now a lot easier!

Park & Ride Station Amenities

- Covered Waiting Areas
- Security Shacks
- Emergency Call Buttons
- Direct Access to HOV Lanes

Estimated Vehicle Capacity:

- W. Little York Station: 800+
- Hillcroft Station: 560+

| Departure Location | Departure Groups | Departure Time | Arrival Time | Travel Time |
|------------------------|------------------|----------------|--------------|-------------|
| Hillcroft to DTTP | A | 3:20 AM | 4:35 AM | 75 (min.) |
| | B | 3:30 AM | 4:45 AM | |
| | C | 4:30 AM | 5:45 AM | |
| DTTP to Hillcroft | A | 3:45 PM | 5:00 PM | 75 (min.) |
| | B | 4:00 PM | 5:15 PM | |
| | C | 6:15 PM | 7:30 PM | |
| W. Little York to DTTP | A | 4:00 AM | 4:30 AM | 30 (min.) |
| | B | 4:10 AM | 4:40 AM | |
| | C | 5:10 AM | 5:40 AM | |
| DTTP to W. Little York | A | 3:45 PM | 4:15 PM | 30 (min.) |
| | B | 4:00 PM | 4:30 PM | |
| | C | 6:45 PM | 6:45 PM | |





Digging into the Data

- Gathered the top internal data analysts to dig deeper in the details
- Identified training, hiring and attendance patterns creating work disruptions
- Redesigned onboarding processes, corrected gaps in communication at the time of hire compared to the placement on the floor
- Shifted more hires from flex to FTE by increasing internal hiring talent
- Added additional HR members to support the floor
- Targeted training of group leaders and team lead as a result of survey and employee relations feedback

Engaged, Supportive, Committed



Questions?
Thank you!



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