


Human Rights Initiatives

Mitsubishi HC Capital Group recognizes that human rights and labor practices are important issues for achieving its mission and expanding its business footprint globally. We strive to carry out business activities while respecting the human rights of all people.

 Please refer to our website for details.

Human Rights Initiatives
<https://www.mitsubishi-hc-capital.com/english/sustainability/social/index.html>

Respect for Human Rights as a Critical Issue

Our Code of Ethics and Conduct includes sections on “Respect for Human Rights and the Environment,” and the Code of Conduct states, under “Human rights” that “Consistent with the fundamental spirit of respect for humanity, no employee engages in any discriminatory action or human rights violation on grounds of gender, sexual orientation, age, nationality, race, ethnicity, political opinion, beliefs, religion, social status, lineage, illness, or disability.”

The Group’s compliance manual states, under “Respect for human rights and the prohibition of discrimination,” that “All Group employees must respect basic human rights and must not engage in any discriminatory action or human rights violation on the ground of gender, sexual orientation, age, nationality, race, ethnicity, politi-


cal opinion, beliefs, religion, social status, lineage, illness, or disability.” Within this section, under “Eliminating harassment,” it further states, “All Group employees should respect one another as professional partners and must work to eliminate all forms of harassment, including sexual harassment, harassment related to pregnancy, and abuse of power.” In September 2022, we formulated our Human Rights Policy based on the United Nations Guiding Principles on Business and Human Rights.

Aiming to realize a society that respects human rights, we are proactively and continuously engaged in business activities that consider internationally recognized standards for human rights to fulfill our responsibilities with respect to human rights, as is expected of global companies.

Human Rights Policy (Opening statement)

We at the Mitsubishi HC Capital Group recognize that conducting business with the utmost respect for human rights is a major challenge, and we will fulfill our responsibilities in this matter across all our business activities. Through dialogue and collaboration with relevant stakeholders, we will exclude exploitative labor practices, such as modern slavery, forced labor, human trafficking, and child labor, from the businesses and supply chains of the Mitsubishi HC Capital Group.

We will address human rights risks relevant to our businesses earnestly and appropriately to fulfill our obligations to respect human rights in a manner expected of global companies, aiming to realize a society that respects human rights. We will realize a flexible working style, respect a diversity of values, and strive to create a comfortable working environment in which every individual can demonstrate their maximum potential.

 Please refer to our website for details.

https://www.mitsubishi-hc-capital.com/pdf/english/sustainability/various_policies/human_rights_policy.pdf

Human Rights Training and Raising Awareness

The Group educates and raises awareness among all employees about human rights and also provides training on human rights as they relate to certain jobs and business operations. We ensure respect for human rights through these efforts. Specifically, we provide e-learning sessions (twice a year) for all employees including those from Group companies to raise awareness about human rights, and also integrate human rights training into new employee training, rank-based training, and specialization-based training such as credit screening and A/R management training. In fiscal 2022, the e-learning course covered themes such as human rights issues for women, foreigners, and people with disabilities and harassment in the workplace. In Japan, 5,647 employees undertook the courses.

Response to the Modern Slavery Act in the UK

Based on the Modern Slavery Act enacted in the UK in 2015, Mitsubishi HC Capital UK PLC, our Group company in the UK has published an Anti-Slavery and Human Trafficking Statement on its website about efforts to prevent slave labor, human trafficking, and similar human rights violations.

 Please refer to our website for details. (English only)

<https://www.mitsubishihccapital.co.uk/media/mfddmxxa/2023-mhcuk-anti-slavery-statement.pdf>

Human Rights Due Diligence

In recent years, many countries have rapidly advanced human rights legislation that imposes a duty of respect for human rights on corporations. The Guidelines on Respecting Human Rights in Responsible Supply Chains issued by the Ministry of Economy, Trade and Industry in September 2022 require companies to (1) formulate a human rights policy, (2) undertake human rights due diligence, and (3) build a relief or complaint mechanism as the pillars of efforts to respond to human rights.

As mentioned above, the Group has addressed these three human rights issues by formulating and publishing its Human Rights Policy. With regard to human rights due diligence, our Human Rights Project has designed a system that started operating in November 2023.

In terms of efforts to address human rights due diligence, we have, as a prerequisite, identified the areas of critical risk* listed below. The system design incorporates the two elements listed on the right.

1. Screening business partners based on information regarding concerns about human rights violations.

We have established a mechanism for identifying clients, suppliers, and other business partners where information exists regarding concerns about human rights violations in areas of critical risk.

2. Eliminating the risk of human rights violations through dialogue with business partners (engagement)

Where concerns have been identified through screening, we open a dialogue (engagement) with the business partners and, by confirming the actual situation and their responses, we encourage them to respect human rights initiatives.

The main objective of human rights due diligence is to prevent and reduce human rights risk in our corporate activities by using dialogue to improve and enhance human rights awareness at our business partners. Through repeated dialogue with business partners, we gain experience in how to handle human rights due diligence and enhance its effectiveness.

* Identifying areas of critical risk

There are various types of human rights issues. Since it is important for our Group to identify the risks and to respond effectively, we have determined that the following areas present serious risk to the Group in light of the principles and recommendations of the United Nations Global Compact principles.



Message from the Human Rights Project Members

To design a system for human rights due diligence, the Human Rights Project holds regular discussions with staff at each department involved in operating the system and strives to formulate more sophisticated responses. To ensure respect for human rights across the entire Group, we are preparing to improve and strengthen our systems, including fact-finding surveys at Group companies in Japan and overseas. We are also devising measures for human rights education and awareness-raising as well as internal publicity to support employees to deepen their understanding of human rights.



Members of the Human Rights Project discussing human rights responses in our Group.