

Human Rights Initiatives

The Mitsubishi HC Capital Group recognizes that human rights and labor practices are important issues for achieving its mission and operating business 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>

Approach to Human Rights

The Guiding Principles on Business and Human Rights, adopted by the United Nations in 2011, call for companies to play three roles in respecting human rights: formulating a human rights policy, undertaking human rights due diligence, and providing relief. The Group examined its Human Rights Policy through dialogues with external experts and internal specialized departments and established it in September 2022 after discussions at Executive Committee and Board of Directors meetings. In November 2023, the Group began conducting human rights due diligence and will continue to improve relief to make the complaint handling mechanism already in operation even more effective.

Our Code of Ethics and Conduct state, "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 also states, "Respect for human rights and the prohibition of discrimination." A part of that clearly states, "Eliminating harassment."

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 in order to ensure respect for human rights.

In fiscal 2023, in conjunction with the introduction of human rights due diligence, we conducted an e-learning course on the basics of human rights, including business and human rights, the Group's Human Rights Policy and response to human rights, and strengthening prevention of workplace harassment, which was taken by all of our approximately 5,000 employees in Japan. In

addition, we have conducted human rights courses for mid-career hires and e-learning courses on compliance, diversity, people with disabilities, and sustainability, with a total of approximately 27,500 employees learning about human rights.

In addition, 14 group training sessions have been held, including a human rights course for new employees, training for managers including harassment prevention, and diversity training, with a total of approximately 400 employees attending.

Human Rights Due Diligence

As mentioned above, the Group began conducting human rights due diligence in 2023, targeting customers and suppliers of credit transactions and outside contractors. This was the result of a Company-wide, cross-segment Human Rights Project, which took approximately one year of discussions and system design. We expanded the scope of our efforts by adding purchase transactions in April 2024 and adding investment transactions in October 2024.

In addressing human rights due diligence, the following two elements are incorporated in the design of the system.

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.

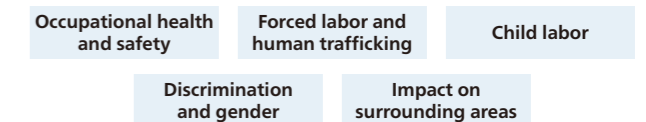
2. Eliminating the risk of human rights violations through dialogue with business partners (engagement)

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 consider 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 will gain experience in how to handle human rights due diligence and enhance its effectiveness.

Identifying areas of critical risk

In order to ensure effective responses to various types of human rights issues, we have determined the following areas of critical risk as preconditions for human rights due diligence in light of the principles of the UN Global Compact.



Response to the Modern Slavery Act in the UK

The Group has published a statement on the website of Mitsubishi HC Capital UK PLC regarding its efforts to prevent slave labor and human trafficking in accordance with the Modern Slavery Act that came into force in the UK in 2015.

For more information, please visit the website.
<https://www.mitsubishi-capital.co.uk/media/lrceey3/2024-mhccuk-anti-slavery-statement-final-25-09-24.pdf>

Voice Employee comments

Toward advancement of human rights due diligence

Promoting improvement and enhancement of the system by incorporating opinions from the field and external experts

In order for a company to fulfill its role of respecting human rights, it is important to establish new rules or to consider them in light of existing systems. In the Human Rights Project, discussions are persistently held among the various departments involved in the operation of the system. It is truly encouraging that each member of the team is actively sharing their opinions and ideas while making use of their expertise. Recently, we have received an increasing number of inquiries from employees regarding human rights due diligence, and we feel that the system is gradually becoming more widespread and leading to greater awareness.

In designing the system, we have taken into account the opinions of our sales and other front-line employees, and we will continue to exchange opinions with outside experts to improve and strengthen the system. We will continue to work as one to respect the human rights of our stakeholders, while deepening communication with Group companies in Japan and overseas, based on the laws and regulations of each country and on surveys of the actual situation.

