

# ESG Data

**mitsubishi** MITSUBISHI HC CAPITAL Inc.

**January 31, 2022**

# Governance

## Corporate Governance

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See below for information on our corporate governance.

### **Corporate Governance**

<https://www.mitsubishi-hc-capital.com/sustainability/governance/index.html> (Japanese)

<https://www.mitsubishi-hc-capital.com/english/sustainability/governance/index.html> (English)

### **Annual Securities Report**

<https://www.mitsubishi-hc-capital.com/investors/library/security-report/pdf/062902.pdf> (Japanese)

### **Corporate Governance Report**

[https://www.mitsubishi-hc-capital.com/pdf/sustainability/governance/governance\\_report.pdf](https://www.mitsubishi-hc-capital.com/pdf/sustainability/governance/governance_report.pdf) (Japanese)

[https://www.mitsubishi-hc-capital.com/pdf/english/sustainability/governance/governance\\_report.pdf](https://www.mitsubishi-hc-capital.com/pdf/english/sustainability/governance/governance_report.pdf) (English)

## Compliance

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With the Mitsubishi HC Capital Group Code of Ethics and Code of Conduct as our foundation, we are working to ensure comprehensive compliance following separate, clear policies established on the key issues facing the Group based on the regulatory regime of each country where we operate.

### **Main policies on compliance**

Code of Ethics and Code of Conduct

[https://www.mitsubishi-hc-capital.com/pdf/sustainability/various\\_policies/ethics.pdf](https://www.mitsubishi-hc-capital.com/pdf/sustainability/various_policies/ethics.pdf) (Japanese)

[https://www.mitsubishi-hc-capital.com/pdf/english/sustainability/various\\_policies/ethics.pdf](https://www.mitsubishi-hc-capital.com/pdf/english/sustainability/various_policies/ethics.pdf) (English)

Principles for Prevention of Bribery and Corruption

[https://www.mitsubishi-hc-capital.com/pdf/sustainability/various\\_policies/antibribery.pdf](https://www.mitsubishi-hc-capital.com/pdf/sustainability/various_policies/antibribery.pdf) (Japanese)

[https://www.mitsubishi-hc-capital.com/pdf/english/sustainability/various\\_policies/antibribery.pdf](https://www.mitsubishi-hc-capital.com/pdf/english/sustainability/various_policies/antibribery.pdf) (English)

Principles for Compliance with Competition Laws

[https://www.mitsubishi-hc-capital.com/pdf/sustainability/various\\_policies/competition.pdf](https://www.mitsubishi-hc-capital.com/pdf/sustainability/various_policies/competition.pdf) (Japanese)

[https://www.mitsubishi-hc-capital.com/pdf/english/sustainability/various\\_policies/competition.pdf](https://www.mitsubishi-hc-capital.com/pdf/english/sustainability/various_policies/competition.pdf) (English)

Basic Policy on Anti-social Elements

[https://www.mitsubishi-hc-capital.com/pdf/sustainability/variou s\\_policies/antisocial.pdf](https://www.mitsubishi-hc-capital.com/pdf/sustainability/variou s_policies/antisocial.pdf) (Japanese)

[https://www.mitsubishi-hc-capital.com/pdf/english/sustainability/variou s\\_policies/antisocial.pdf](https://www.mitsubishi-hc-capital.com/pdf/english/sustainability/variou s_policies/antisocial.pdf) (English)

Principles for Money-Laundering Prevention

[https://www.mitsubishi-hc-capital.com/pdf/sustainability/variou s\\_policies/lauding.pdf](https://www.mitsubishi-hc-capital.com/pdf/sustainability/variou s_policies/lauding.pdf) (Japanese)

[https://www.mitsubishi-hc-capital.com/pdf/english/sustainability/variou s\\_policies/lauding.pdf](https://www.mitsubishi-hc-capital.com/pdf/english/sustainability/variou s_policies/lauding.pdf) (English)

Other related policies

[https://www.mitsubishi-hc-capital.com/sustainability/variou s\\_policies.html](https://www.mitsubishi-hc-capital.com/sustainability/variou s_policies.html) (Japanese)

[https://www.mitsubishi-hc-capital.com/english/sustainability/variou s\\_policies.html](https://www.mitsubishi-hc-capital.com/english/sustainability/variou s_policies.html) (English)

### **Compliance Management Structure and System**

To ensure that all employees, including those of Group companies, are aware of and share in our common values and our ethics regarding basic compliance, we have established the Mitsubishi HC Capital Group Code of Ethics and Code of Conduct. Furthermore, we have made our Compliance Manual available on the Company intranet so that all employees can easily check it at any time.

The Group Code of Ethics establishes fundamental values and ethics to be embraced by all members of the Group and serves as a set of fundamental guiding principles for the Group's management and employees. All members of the Mitsubishi HC Capital Group adhere to the Code of Ethics.

Mitsubishi HC Capital's Compliance Management Structure and System is supervised by the Chief Compliance Officer (CCO), who is responsible for building and operating a company-wide Compliance Management Structure and System. Under the leadership of the CCO, the Legal & Compliance Department plans and manages internal structures and systems, and provides guidance and supervision to divisions and Group companies, as well as guidance on the correction of compliance violations.

For details, see below.

<https://www.mitsubishi-hc-capital.com/sustainability/governance/compliance.html> (Japanese)

<https://www.mitsubishi-hc-capital.com/english/sustainability/governance/compliance.html> (English)

### **Compliance Awareness and Training**

We provide training to employees on various laws under which it has been registered or licensed, including the Money-Lending Business Act, the Installment Sales Act, and the Financial Instruments and Exchange Act, and test their comprehension following training. In addition, in principle all employees are required to conduct self-checks twice a year in principle to verify compliance, including understanding of bribery prevention, competition law compliance, insider trading prevention, prevention of transactions with Anti-social Elements prohibition of illegal acts, privacy protection, Whistleblower Protection Act, security and trade control, and harassment prevention.

## Usage of Whistleblowing System

	Total reports	Number of violations	Discipline actions taken
Whistleblowing Reports/Consultations	20	1	1
Management	0	0	0
Harassment	12	1	1
Communication	2	2	0
Compliance	0	0	0
Other	6	0	0

(Note) Usage information above as of September 30, 2021.

## Environment

See below for environmental information.

### Environmental Policy

<https://www.mitsubishi-hc-capital.com/sustainability/environment/index.html> (Japanese)

<https://www.mitsubishi-hc-capital.com/english/sustainability/environment/index.html> (English)

### Environmental Management System

<https://www.mitsubishi-hc-capital.com/sustainability/environment/management.html> (Japanese)

<https://www.mitsubishi-hc-capital.com/english/sustainability/environment/management.html> (English)

### Environmental Targets/Performance

<https://www.mitsubishi-hc-capital.com/sustainability/environment/achievements.html> (Japanese)

<https://www.mitsubishi-hc-capital.com/english/sustainability/environment/achievements.html> (English)

### Contributing through Our Businesses

<https://www.mitsubishi-hc-capital.com/sustainability/environment/contribution.html> (Japanese)

<https://www.mitsubishi-hc-capital.com/english/sustainability/environment/contribution.html> (English)

# Social

## Human Resources

Our growth and development as a company is predicated on creating an environment in which all employees can grow and exhibit their capabilities to the fullest. We continue to respect human rights and embrace diversity as we work to create a foundation for social value creation.

### Human Resources Data

Items		FY2018	FY2019	FY2020
Number of employees	(Persons)	2,269	2,290	2,342
	Men	1,445	1,435	1,460
	Women	824	855	882
	Foreign nationals	23	26	26
Average age	(Years)	40.0	40.1	40.9
	Men	41.8	41.9	42.8
	Women	37.0	37.2	37.8
	Foreign nationals	33.0	33.7	34.7
Average service time	(Years)	15.3	15.1	15.6
	Men	16.7	16.5	17.1
	Women	12.8	12.7	13.2
	Foreign nationals	4.3	4.5	5.4
Average annual pay	(Thousand yen)	7,828	8,003	8,272
	Men	8,946	9,211	9,441
	Women	5,691	5,819	6,237
Temporary employees	(Persons)	143	148	152
Non-permanent employees	(Persons)	114	115	131
	Men	74	77	96
	Women	40	38	35
	Foreign nationals	0	0	0
Employment rate of people with disabilities	(%)	2.22%	2.39%	2.40%
Promotion of managerial staff	(Persons)	33	49	39
	Men	23	38	25
	Women	4	6	9
	Foreign nationals	0	0	0
	Mid-career hiring of managerial staff		6	5

Items		FY2018	FY2019	FY2020
Number of officers	(Persons)	12	5	10
	Men	11	5	9
	Women	1	0	1
	Foreign nationals	0	0	0
Hiring	(Persons)			
New graduates	Men	43	33	32
	Women	32	42	40
	Foreign nationals	3	1	0
Mid-career	Men	38	43	40
	Women	11	8	17
	Foreign nationals	2	4	1
Employee turnover rate	(Persons)			
FTE	Permanent employees	3.7%	3.0%	2.4%
	Men	4.3%	3.4%	2.4%
	Women	2.6%	2.4%	2.4%
	Foreign nationals	0%	9%	5%
Non-FTE	Non-permanent employees	16.0%	12.4%	12.0%
	Men	15.8%	16.2%	15.4%
	Women	16.7%	3.2%	3.3%
	Foreign nationals	0%	0%	0%
Average overtime hours	(Hours)	15.3	15.9	18.3
Absentee rate	(%)	2.3%	2.1%	2.3%
Rate of paid leave taken	(%)	68.4%	66.1%	59.2%
Rate of maternity and parental leave taken	(%)	100.0%	100.0%	100.0%
Rate of employees taking childcare leave	(%)	77.2%	99.1%	77.5%
Number of employees taking reduced working hours	(Persons)	125	133	131
Number of employees taking family care leave/time off	(Persons)	2	3	0

## Human Rights

See below for information on Human Rights

### **Human Rights Initiatives**

<https://www.mitsubishi-hc-capital.com/sustainability/social/index.html> (Japanese)

<https://www.mitsubishi-hc-capital.com/english/sustainability/social/index.html> (English)

## Social Contribution Activities

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We are working to resolve social issues and create value for society through a number of different activities in order to achieve our vision of becoming a “Social Values Creating Company.” Social contribution activity related expenses in FY2020 totaled around 49 million yen.

### Together with Local Communities

[https://www.mitsubishi-hc-capital.com/sustainability/social/community\\_and\\_society.html](https://www.mitsubishi-hc-capital.com/sustainability/social/community_and_society.html) (Japanese)

[https://www.mitsubishi-hc-capital.com/english/sustainability/social/community\\_and\\_society.html](https://www.mitsubishi-hc-capital.com/english/sustainability/social/community_and_society.html) (English)

### FY2020 Spending by Category (%)

