

Human rights due diligence

1. Overview

We conduct human rights due diligence periodically in order to identify and evaluate human rights risks across our entire supply chain and implement preventive measures as necessary.

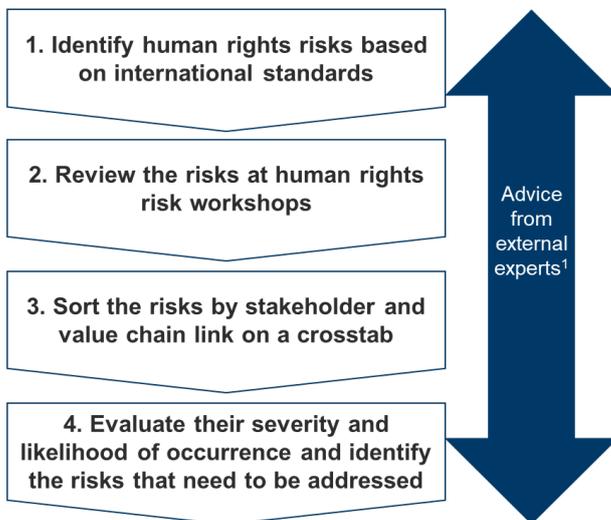
2. First year actions

In FY2025 (July 2024 to June 2025), we conducted human rights due diligence for the first time, established a process for identifying human rights risks, and evaluated the risks identified through this process.

Human rights risk assessment process

We used the following process to identify and assess human rights risks to which we might be exposed directly in our business activities or indirectly in the supply chain.

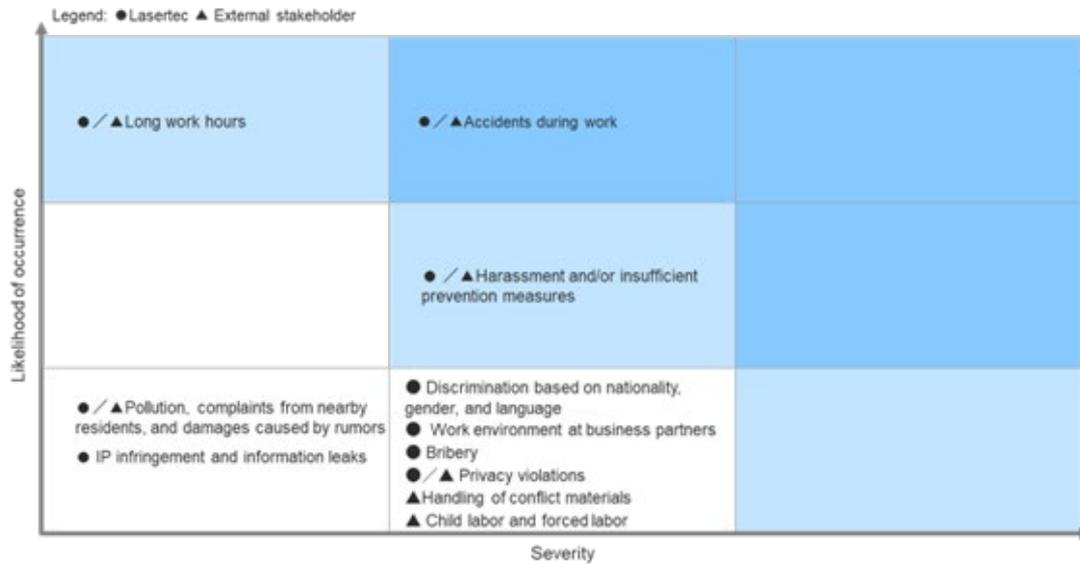
Human rights risk assessment process



1: External experts are from The Japan Research Institute, Limited

Human rights risk evaluation

We evaluated the identified risks based on their severity and likelihood of occurrence. The results are displayed on the risk map below. There are several risks in our business activities and supply chain that would have a medium level of impact if they occurred. We also identified risks that have occurred multiple times in the year as having a high likelihood of occurrence.



To evaluate the severity and likelihood of human rights risks, we used the table below, which is based on material from the United Nations Development Programme (UNDP) and provided by the Japan Ministry of Economy, Trade and Industry.

Severity	Scale <small>(Equates to the gravity or seriousness of the impact)</small>	High	The abuse involves severe impact on the physical, mental, and/or emotional well-being of a person and/or communities; the target community is considered especially vulnerable
		Medium	The abuse involves a moderate impact on the physical, mental, and/or emotional well-being of people and/or communities
		Low	The abuse does not have a long-term or substantive effect on the victims' lives and does not target vulnerable populations
	Scope <small>(Refers to the number of people impacted)</small>	High	A large number of people affected, which might include the workforce, families or workers and surrounding communities
		Medium	A moderately large number of people impacted
		Low	A small number of people impacted
	Irremediability <small>(Refers to any limit in the ability to restore those affected back to a situation at least the same as, or equivalent to, their situation before the adverse impact)</small>	High	Unless action is taken immediately, the impact of human rights abuses can never be remedied
		Medium	Unless action is taken soon, the impact of human rights abuses will not likely be remedied

		Low	Action not required immediately to remedy the human rights abuse in full
Likelihood		High	The event has occurred in business operations several times per year and will very likely occur again.
		Medium	The event has occurred in business operations several times and has occurred in the industry in the past.
		Low	The event has never occurred in business operations, but it may have occurred in the industry in the past.

Preventative measures

We have designated human rights risks with a medium or high severity and likelihood as high-priority risks and are considering how to implement preventive measures.

3. Future actions

Based on these initial results, we plan to take preventive measures, starting with high-priority human rights risks. We will monitor the effectiveness of these measures and make improvements as necessary. Additionally, we will conduct human rights risk assessments and evaluations continually and will consider and implement preventive measures when we identify new high-priority risks. We are planning to periodically disclose the results of our human rights due diligence.

Preventative measure verification workflow

Future actions

