

Respect for Human Rights

Philosophy and Policy on Respect for Human Rights

In our Code of Ethics, we stipulate that “We, as members of society, work closely with local communities, to support them with respect to the human rights of each person and with social issues such as an environmental issue, and we seek to contribute to the realization of sustainable society.”

In addition, we established our Human Rights Policy after discussion by the Board of Directors. It clearly states our basic stance on respect for human rights and is meant to raise awareness and ensure that all directors and employees have the same understanding of this issue, and to advance concrete initiatives in our businesses and in the conduct of our directors and employees.

In its Code of Conduct, the Bank clearly states its commitment to respecting human rights and creating a safe and secure workplace.

We do not tolerate the use of discriminatory words or actions based on race, creed, gender, age, nationality, ethnicity, religion, social status, or physical characteristics, in or outside the workplace, and ensure that all directors and employees refrain from such words and actions in every setting.

Moreover, in response to international human rights issues, we support and respect international standards including the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, the International Covenant on Civil and Political Rights, the International Labour Organization Declaration on Fundamental Principles and Rights at Work, and the United Nations Global Compact.

Furthermore, in addition to complying with the domestic law of each country in which we operate, we identify human rights initiatives in our operations and work to develop regulations and operational rules.

In recent years, not only the Bank but the entire supply chain is expected to consider human rights.

The Bank is also committed to addressing the issue from

various angles, including compliance with the UK Modern Slavery Act 2015 and other laws, while referring to the Guiding Principles on Business and Human Rights.

Stance on Promoting Respect for Human Rights

The Bank’s business operations are supported by its stakeholders. It is important that all directors and employees of the Bank have a heightened sense of human rights with respect for the position and personality of others. To fulfill the Bank’s fundamental mission, all directors and employees are expected to respect the position of individual stakeholders and treat all with sincerity, acquire deep insights and highly professional knowledge, and behave as valued members of society.

With the aim of establishing a highly transparent organizational culture built on respect for human rights, we continually provide training on human rights in line with plans decided after discussion at the Compliance Committee.

Also, to prevent sexual or power harassment as well as harassment on the basis of pregnancy, childbirth, and child- or nursing-care leave, we engage in a wide range of activities such as providing e-Learning and position-by-position education, guidance and consultation by human rights issue supervisors and staff throughout the organization, and offering harassment consultation lines externally and internally at our Legal Affairs and Compliance Division.

Considering the Act for Promotion of the Employment of Persons with Disabilities and the Act for Eliminating Discrimination against Persons with Disabilities, we have set up a Consultation Desk for People with Disabilities at each branch and in the Legal Affairs and Compliance Division. In this manner, we are working to respond to actual issues faced by employees with disabilities.

Environment and Human Rights Seminars

The Bank holds environment and human rights seminars annually, and all directors and employees at the Bank are required to participate in at least one.

We invite specialists from a variety of fields to present seminars with a broad range of themes and to raise awareness and promote the concepts of environmental protection and respect for human rights. In fiscal 2022, participants could stream all five training sessions on their work smartphones. This created an opportunity for employees to attend environmental and human rights training sessions anytime and as often as they wished.

Human Rights Impact Assessment (Human Rights Due Diligence)

Identification and Assessment of Human Rights Issues and Impacts

The 2011 United Nations Guiding Principles on Business and Human Rights (UNGPs) clarify the responsibility of companies to respect human rights, stating that business enterprises should carry out due diligence, avoid infringing on the human rights of those with whom they are associated, and address the enterprise’s negative human rights impacts.

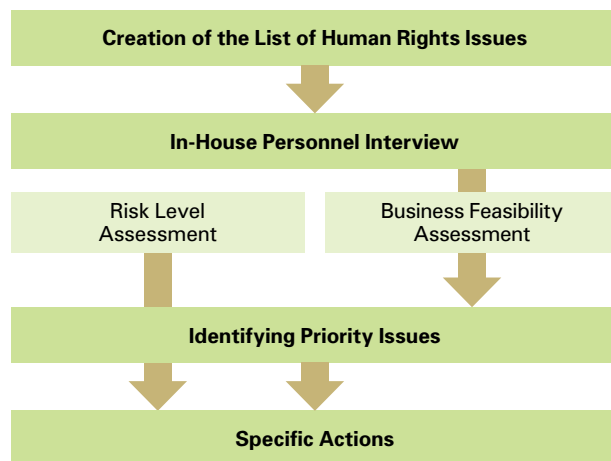
The Bank’s Human Rights Policy clearly states that the Bank Group endeavors to conduct due diligence in order to prevent and/or mitigate any negative impact that business activities could have on human rights. Based on this, we assess human rights impacts throughout the organization and in our business activities.

The Bank conducts a human rights impact assessment every three years. In fiscal 2022, the scope of the assessment covered business activities and the value chain, including Group companies. Human rights issues were identified through employee interviews and other means with the cooperation of external experts.

Based on the importance of the human rights issues identified, which are evaluated based on the severity of the issue to the

party whose human rights are affected, and based also on the opinions of outside experts, the following were identified as priorities for the Bank Group to address as human rights issues of high significance and necessity: modern slavery, human rights impacts through money laundering, privacy and information security, diversity and inclusion, harassment in the workplace, and forced and child labor in the supply chain.

Human Rights Impact Assessment Processes



Action to Prevent and/or Mitigate Negative Impacts to Human Rights

We are progressively developing measures to prevent and/or mitigate negative impacts to important human rights, starting with those of greatest priority. We will continue to promote efforts to mitigate human rights risks while maintaining dialogue with our stakeholders.

Human rights issues	Persons whose rights are affected	Major initiatives
Modern slavery (forced or child labor)	Employees of the investee	<ul style="list-style-type: none"> Practice thorough risk management, such as investment and financing sector policy that prohibits investing in and financing businesses that use child labor or forced labor, and check for incidents of human rights violations and the like. <p style="text-align: right;">→ Initiatives to Manage Environmental and Social Risks P.25</p>
Human rights impacts through money laundering	Consumers, local communities	<ul style="list-style-type: none"> Respond based on the Act on Prevention of Transfer of Criminal Proceeds and the Financial Services Agency Guidelines for Countering Money Laundering and Terrorist Financing
Privacy and information security	Investors, consumers, and local communities	<ul style="list-style-type: none"> Respond based on Declaration of Personal Information Protection and establish and operate a security system in compliance with the laws and regulations of each country
Diversity and inclusion	Employees	<ul style="list-style-type: none"> Under the leadership of the Chief Diversity Officer, take initiatives to improve diversity and inclusion in the organization (e.g., increase the percentage of female managers)
Harassment in the workplace	Employees	<ul style="list-style-type: none"> Establish a basic policy on prevention of various types of harassment and conduct thorough in-house awareness-raising and training on harassment prevention Harassment consultation desk for employees
Forced and child labor in the supply chain	Supply chain employees	<ul style="list-style-type: none"> Practice thorough risk management, including checking for incidents at contractors Conduct a full assessment of supplier human rights risks

Remedies for Human Rights Violations

Whistleblowing System

The Bank has put in place a Compliance Hotline so that if compliance problems occur, directors, employees, and others can report these either by phone or e-mail.

The Compliance Hotline provides multiple points of contact for reporting to the Legal Affairs and Compliance Division and outside lawyers and allows directors and employees to choose whether to report under their own names or anonymously.

If we receive a report, we will take corrective and remedial measures in close cooperation with the whistleblower. We are also working to increase people’s trust in the system, such as placing top priority on the protection of the whistleblower — measures include prohibiting disadvantageous treatment of them and ensuring confidentiality of their reports.

In addition, we offer a Harassment Consultation Desk in the Legal and Compliance Division and a dedicated outside organization that employees and others can call or email to discuss any harassment issues.

Responding to Customer Consultations and Complaints

The Bank takes consultations and complaints from customers seriously, responds to them promptly and systematically, and reflects them in its business operations in a positive manner to improve customer convenience.

Response to the UK Modern Slavery Act 2015

The UK Modern Slavery Act 2015 legally requires any commercial organization with a certain annual turnover to produce a statement about their efforts to prevent slavery, forced or compulsory labor, and human trafficking in their business and in their supply chain.

The Bank has posted this important statement on our English website since 2016 in accordance with the requirements of the UK Modern Slavery Act 2015.

The statement stresses that acts of slavery, forced or compulsory labor, and human trafficking are contrary to the Bank's mission and policies and it describes our efforts to prevent such acts.

[UK Modern Slavery Act 2015 Transparency Statement](https://www.nochubank.or.jp/en/about/ukmsa_transparency_statement.html)

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