

Creating a structure to ensure that we are a company trusted by society

In Japanese, "corporate governance" is a system for governing and supervising corporate management.

The diagram shows a flow from 'Outside Director' (represented by three figures) to 'management team' (represented by a grid with a person). An arrow labeled 'governance' points from the Outside Director to the management team. From the management team, three arrows point downwards: 'Consultation' to 'Stakeholders other than shareholders', 'Disclosure of information' to 'Shareholders', and 'rights protection' to 'Shareholders'.

Yeah! This time's theme is "corporate governance".

It's finally the last materiality issue!

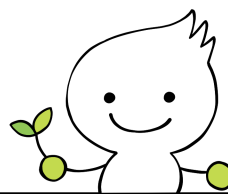
Let's see how it works right now.

I see.

In short, the idea is that a third party can objectively stand guard so that companies don't commit fraud or make bad decisions.

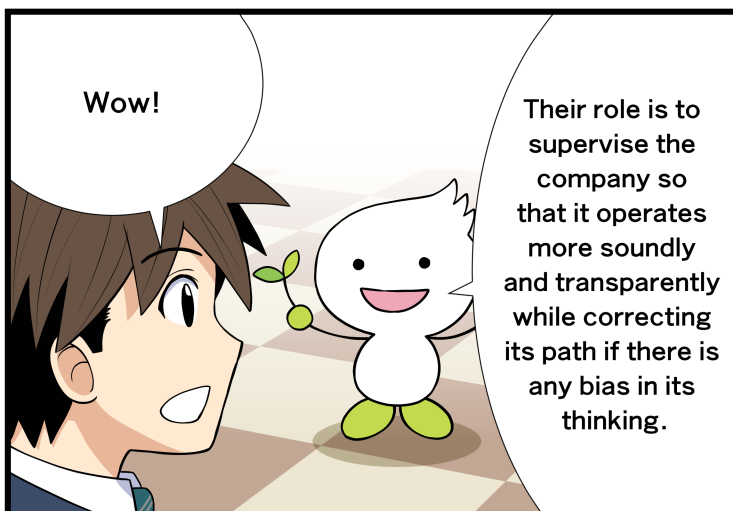
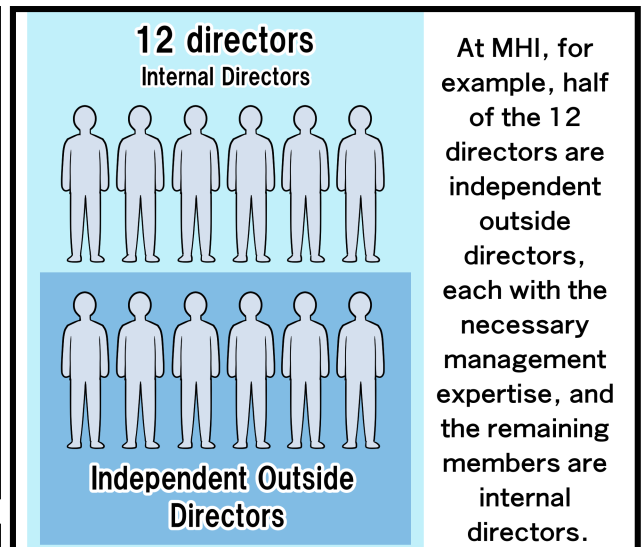
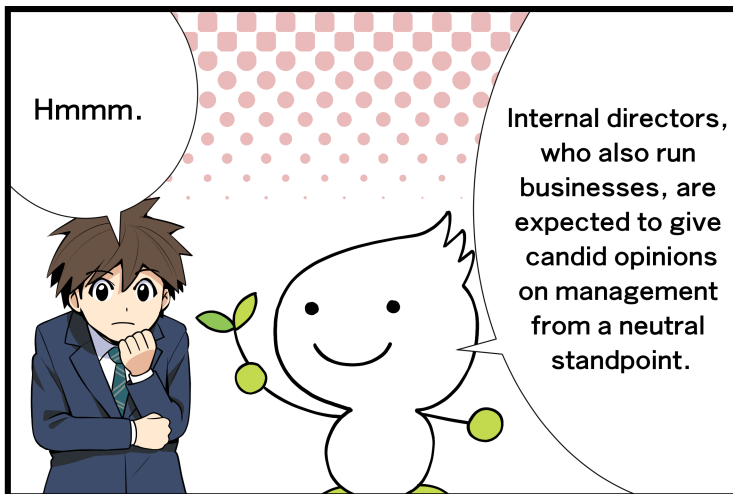
Yeah. I see. Besides, making the right decisions allows companies to gain the trust of society and is an important foundation that supports the growth of corporate value.

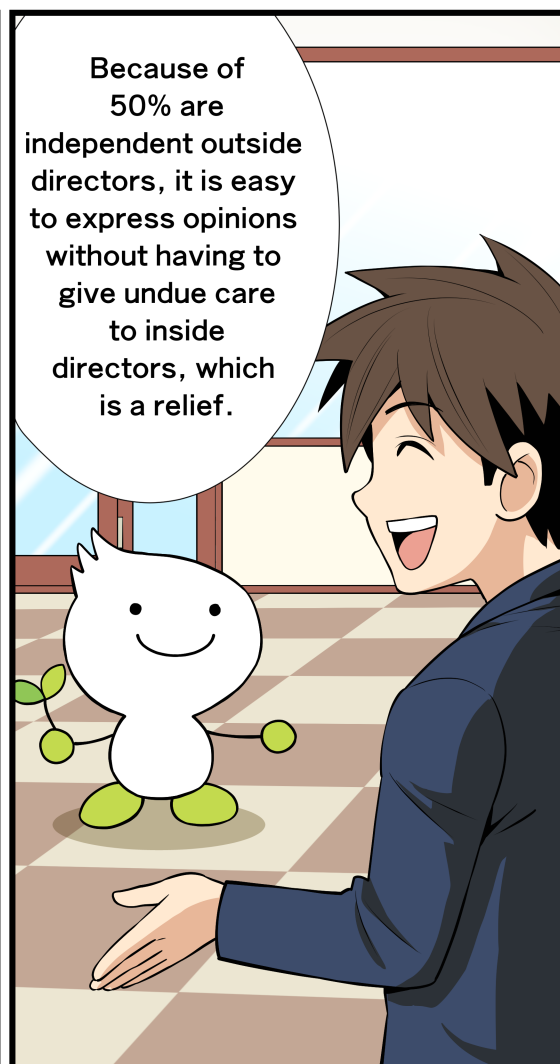
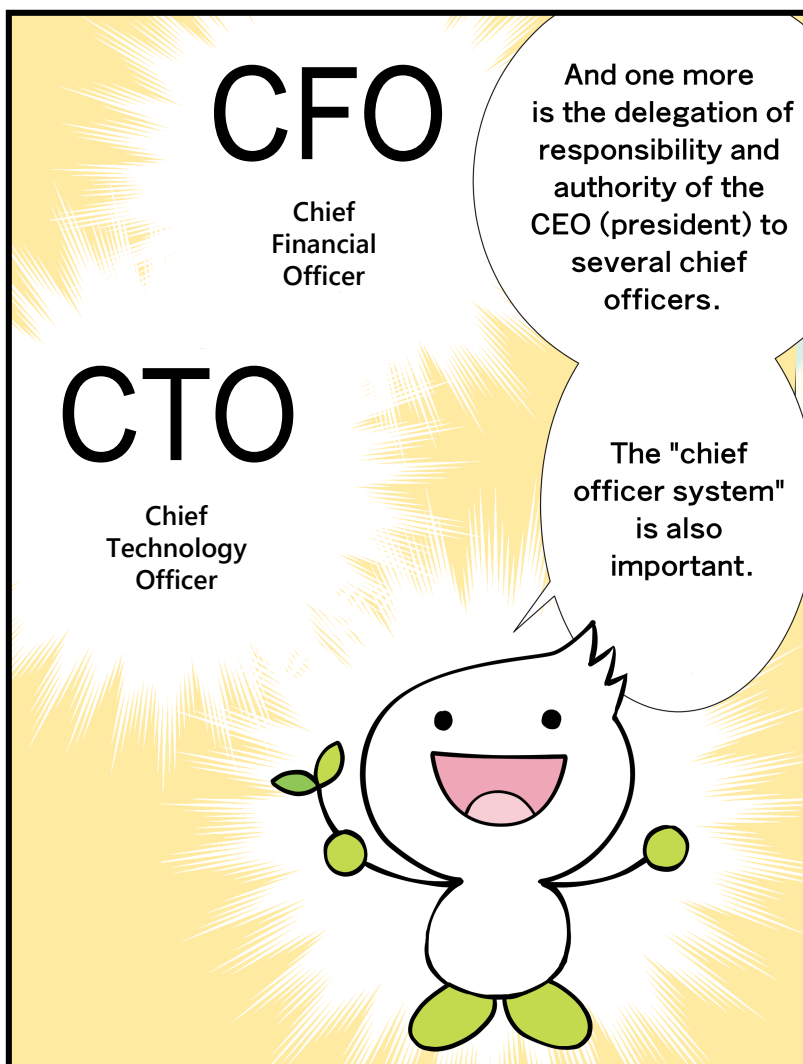
Oh!



It looks like this.

Company-wide goals	Indicators to monitor progress (KPI)
Further enhance deliberations by the Board of Directors	Maintain the ratio of Independent Outside Directors on the Board of Directors at 50% or more
	Evaluate the effectiveness of the Board of Directors annually to maintain and improve its function
Promote legal compliance and honest and fair business practices	Ensure zero serious violations of laws or cases of misconduct
	Continue activities that promote an open organizational culture
Further promote responsible (CSR) procurement in the global supply chain	Promote sustainability and CSR values in procurement activities with partners to build a sustainable supply chain
	Offer continuous education on sustainable and responsible purchasing practices to suppliers/business partners in order to establish and maintain a sustainable supply chain
Create opportunities to explain non-financial information	Management expertise, and the Management to conduct ESG briefings to investors at least once a year





we make information about our management, including our financial situation and our approach to sustainability, available to the public.

In addition, to ensure fairness and transparency in corporate management,

Our approach to sustainability

financial condition

Disclosure of information on management

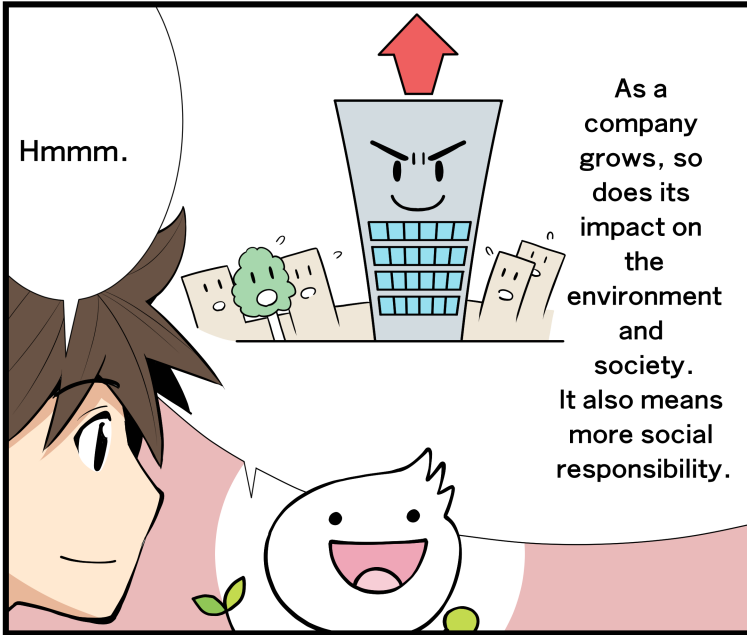
Having responsibility and authority makes the chain of command clear, which leads to stronger governance and more efficient operations.

That makes sense!

I see!

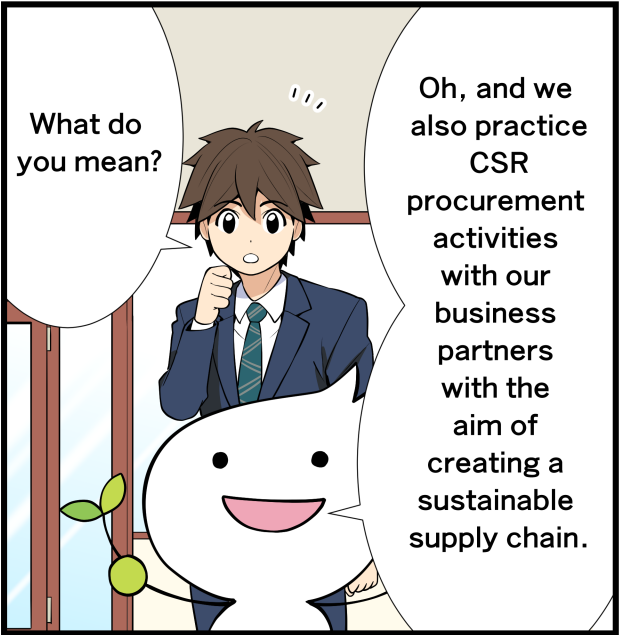
It's designed so that people who work in the MHI group around the world have a common way of thinking about how to behave.

What we have introduced so far is a mechanism for better corporate management, but we have also established “MHI Group Global Code of Conduct”, which summarizes what each member of the Group should keep in mind as they conduct themselves.



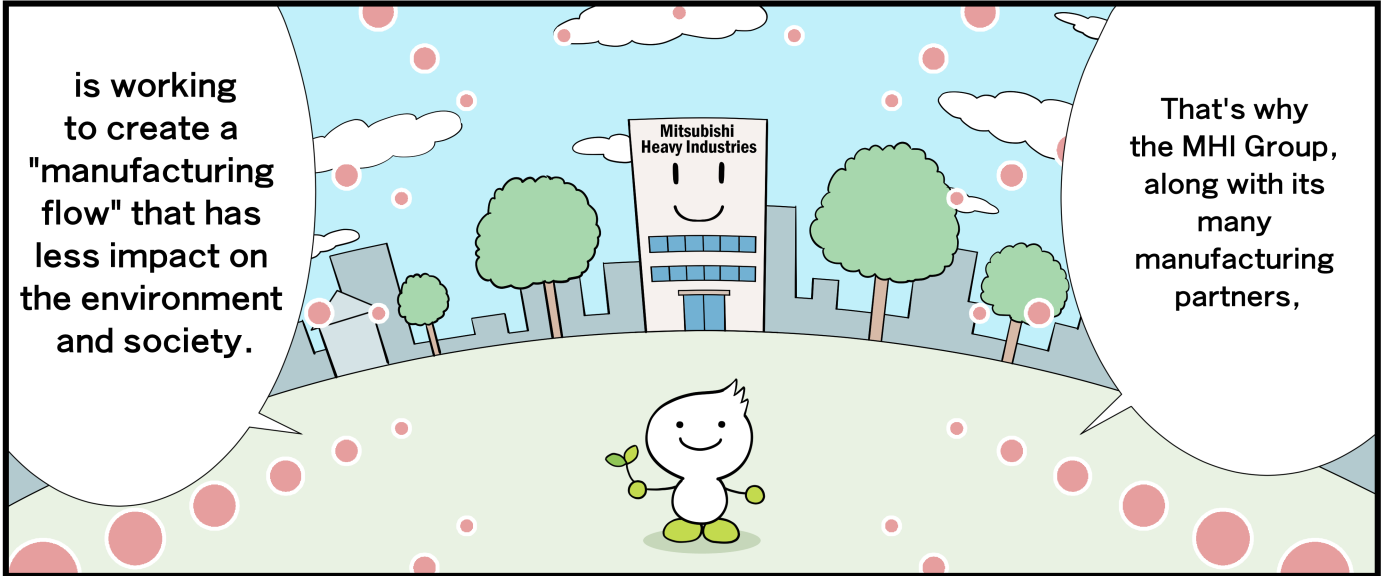
Hmmm.

As a company grows, so does its impact on the environment and society. It also means more social responsibility.



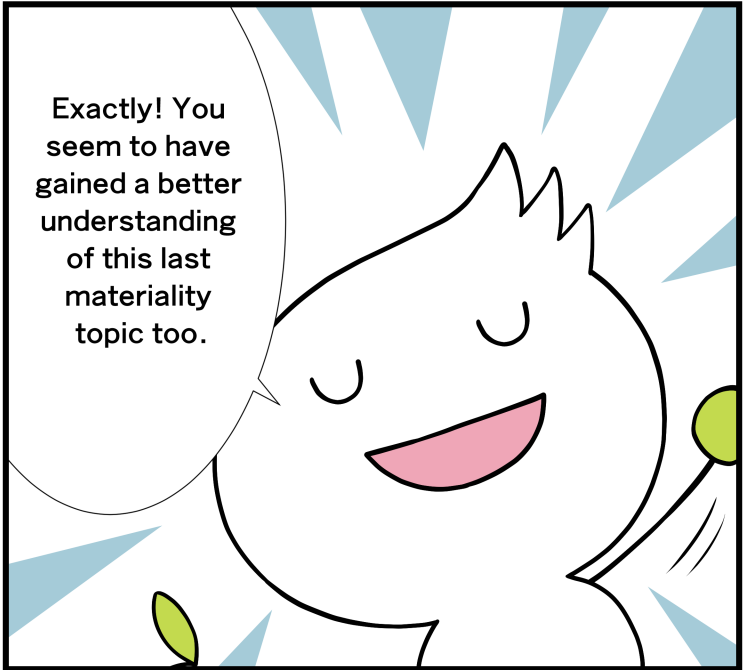
What do you mean?

Oh, and we also practice CSR procurement activities with our business partners with the aim of creating a sustainable supply chain.



is working to create a "manufacturing flow" that has less impact on the environment and society.

That's why the MHI Group, along with its many manufacturing partners,



Exactly! You seem to have gained a better understanding of this last materiality topic too.



so it means we're trying to make the whole flow of manufacturing sustainable.

I see. Many companies are involved in getting any single product into the hands of the end user,

▽Our Principles (established June 1, 1970)

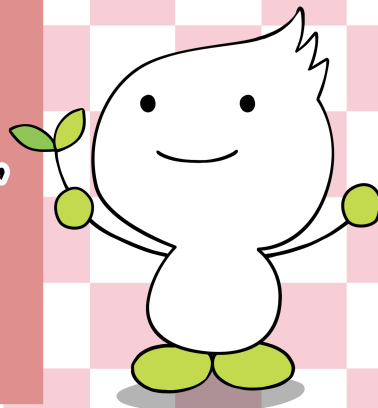
- We deliver reliable and innovative solutions that make a lasting difference to customers and communities worldwide.
- We act with integrity and fairness, always respecting others.
- We constantly strive for excellence in our operations and technology, building on a wide global outlook and deep local insights.

The company's approach to the five materiality issues we have learned so far overlap with the spirit of MHI Group's corporate philosophy.

Now, do you have the full picture of materiality at MHI Group?

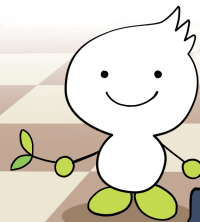


Yeah! MHI considers society far more than I thought. And that makes a positive impact on the world.



We will continue to periodically review the materiality issues we have learned as the times and social issues change.

Our approach to materiality will contribute to the SDGs.



MHI Group has continued to contribute to solving the world's most pressing issues. I feel kind of proud.

Now it's your turn to teach everyone about materiality!



With the awareness that my actions help support society, I'm ready to face my work more seriously than ever.



See you again!!!

