

Sustainability and CSR Procurement Policy/Request to our Business Partners

MHI Group serves as a manufacturing corporation that contributes to societal progress through its business endeavors of delivering products and technologies in support of social and industrial infrastructure worldwide. MHI shall not only make contributions through its products and technologies to resolve social issues such as environmental problems, but shall also work on resolving a wide range of social challenges through various activities in the process of its overall business and promote CSR activities in tandem with its business activities. MHI believes the basis of CSR is to engage in business activities that take its diverse range of stakeholders into consideration and return profits to all stakeholders in optimum fashion, while at the same time providing excellent products and technologies to realize a sustainable society and a secure future for people and the planet.

These efforts cannot be achieved by us alone, and it is essential that we work together with our business partners to achieve them.

To this end, we have created the "Supply Chain Sustainability Promotion Guidelines"(*) to share our thoughts with our business partners and work together as members of society to realize a sustainable society. Please read these guidelines, and we ask for your understanding and cooperation as business partners in promoting your business activities in accordance with the guidelines. We also ask that you inform your business partners of these guidelines.

We may check compliance with these guidelines through regular surveys and, if necessary, visit the manufacturing sites of our business partners.

In addition, if any problems that violate these guidelines occur, we ask that you report them promptly and take corrective measures.

In the unlikely event that appropriate efforts are not confirmed, we may consider reconsidering our transactions with business partners.

(*) The name change and content revision were made in March 2025. 「MHI Group Supply Chain CSR Promotion Guidelines」 → 「MHI Group Supply Chain Sustainability Promotion Guidelines」

【MHI Group Supply Chain Sustainability Promotion Guidelines】

1. Compliance and Corporate Ethics

We ask all Partners to persist in compliance related to all business activities, to foster corporate ethics, strengthen corporate governance, and also, to work on building and operating an organization to facilitate them.

1. To comply thoroughly with the laws and social norms in countries and regions where the business activities are conducted.
2. To maintain free and fair competition, without limitation or obstruction. Moreover, to establish a system to prevent, detect early, and correct misconduct, such as allowing employees who become

aware of misconduct to directly report or seek advice from internal and external reporting channels under appropriate protection.

3. To share and disclose information proactively, and to ensure accountability to society and corporate transparency.
4. To manage confidential information, technical information, and personal information without unfair nor improper acquisition, usage nor disclosure, through establishing and using of information management systems.
5. To neither demand nor provide benefits, gifts, or services.
6. To respect and not to infringe intellectual property rights of others.
7. To ensure that imports/exports comply with applicable rules and guidance.
8. To take appropriate defensive measures against threats to computer networks, including cyber-attacks.
9. To strive to formulate a business continuity plan (BCP) to ensure the continuity of important operations and business, and to ensure early recovery in the event of a natural disaster, pandemic, etc.
10. To understand your own supply chain properly and strive to manage and address supply risks.

2. Safety, Quality, Cost, Delivery and Innovation

In order to maintain and improve the value of MHI's products, we ask all of our Partners to provide materials and services with assured safety and quality, cost and delivery ("QCD"). Moreover, in order to create end products of high added value, we ask for your continuous improvement in developing new technology.

1. To observe product safety laws and any applicable standard of safety. Moreover, to resolve product safety issues promptly, while at all times maintaining records of materials, parts, and processes.
2. To maintain and to continuously improve the quality of materials and services through a quality management system.
3. To provide materials and services that are competitive and have high added value. Moreover, to consider and to proactively propose optimal technologies, materials, and manufacturing processes.
4. To meet the delivery date of materials and service and to enable stable supply.
5. To continuously improve innovation and technological development capabilities.

3. Human Rights, Health and Safety

In the business activities of all of our Partners, and including in their respective supply chains, the human rights of all employees must be respected and safe, comfortable working environments be assured. Moreover, we also ask that you promote diversity, with the premise of accepting diversity in human resources (gender, age, nationality, disability, etc.).

1. To avoid unfair labor practices, discrimination, and abusive treatment of employees. These activities include but are not limited to cruelty, corporal punishment, or harassment.
2. To prohibit any kind of child or slave labor.
3. To comply with local laws and employ best practices with respect to employees' labor conditions (including wages, working hours, recruitment, and dismissal), health, and safety.
4. To keep a safe and comfortable working environment, maintain hygienic conditions in any provided

- lodgings or eating areas, and to maintain sufficient working and living conditions.
5. To respect workers' freedom to associate and organize and support the right to collective bargaining.
 6. To make a full effort to properly manage working hours, comply with relevant laws and regulations, and curtail long working hours.
 7. To pay wages above the minimum wage of each country as determined by law, with consideration given to living wages.
 8. To establish a grievance handling and redress mechanism to correct or improve the situation, in case you confirm any adverse impacts on human rights or occupational safety.
 9. To evaluate the economic rationale of and conduct business with women- and minority-owned companies in a fair and equitable manner, just as we do with other companies.

4. Respect for the Environment

In order to achieve a more sustainable society, we ask all of our Partners to continuously monitor and seek to reduce the environmental impact of their activities.

1. To maintain and continuously improve systems for monitoring the effect of business activities on the environment.
2. To set greenhouse gas reduction targets and work to reduce emissions as a measure against climate change.
3. To manage and dispose of all waste (including hazardous waste) safely and according to applicable law. Moreover, to strive to prevent any and all environmental pollution.
4. To use resources (water, raw materials) and energy effectively and economically, and strive to realize a circular economy.
5. To perform business activities with consideration for biodiversity and the ecosystem.
6. To minimize environmental impact (including emission of drainage and waste).

5. Contribution to the region and society

We ask all of our Partners to work on activities that positively contribute to the development of international society as well as regional society and to foster the next generation.

1. To decide the scope of activities that we can voluntarily implement, such as social contribution through the core business, monetary donation, social contribution using facilities and human resources.
2. To promote initiatives to connect to the next generation, such as training successors and passing on skills, and contribute to the sustainable development of society through your own business.

Basic Policy Concerning Responsible Mineral Procurement

Armed groups engaged in conflicts in the Democratic Republic of the Congo and neighboring countries have committed serious human rights abuses and acts of environmental destruction. This issue has caught the world's attention. Some of the proceeds from the minerals produced in this region (tin, tantalum, tungsten, and gold, hereinafter "conflict minerals") and Cobalt are thought to be a source of funding for these armed groups.

MHI Group has no intention of abetting human rights abuses or environmental destruction by procuring raw materials, parts or products which contain the conflict minerals. Respecting the "OECD Due Diligence

Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas", we will continue to work with our customers, business partners, industry groups and others in efforts to avoid benefiting the armed groups.