

# Human Rights Due Diligence Performance Report

## (Fiscal Year 2025)

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April 2026

## Establishment of "Human Rights Policy"

Our Human Rights Policy, which is adhered to by all our officers and employees, conforms to international standards of human rights such as the International Bill of Human Rights (the Universal Declaration of Human Rights and the two Covenants), the UN Guiding Principles on Business and Human Rights, and the Ten Principles of the UN Global Compact.

## Key Points of the "Human Rights Policy"

Under the policy, we fulfill our responsibility with respect to areas that include:

- Fostering a corporate culture that allows every individual employee to maximize their potential and work with enthusiasm
- Respecting human rights through our entire value chain
- Conducting adequate training and education for all officers and employees so that they respect human rights in their business activities

## Implementation of Human Rights Due Diligence (DD)

Based on the "Human Rights Policy," we have been implementing Human Rights DD since the fiscal year 2022. The purpose of DD on human rights is to identify any negative effects that our business activities may potentially impose on human rights and endeavor to prevent its occurrence and mitigate it.

# Implementation of Human Rights DD and Status of Risks

| Category |  | Actions   | Achievements  |
|----------|--|---|---|
| 1        | Human Rights Risks Related to Investee Companies | <ul style="list-style-type: none"> <li>• Recognition of companies as “unsuitable for investment” due to human rights risks</li> <li>• Exercise of voting rights with a focus on human rights</li> <li>• Engagement related to human rights</li> </ul> | <ul style="list-style-type: none"> <li>• Continued investment restriction measures for two companies designated as “unsuitable for investment.”</li> <li>• Opposed the election of a director at one company under the new proxy voting criteria due to insufficient response to human rights risks.</li> <li>• Held direct dialogue with target companies to request disclosure of a human rights policy and to confirm the status of Human Rights DD implementation.</li> </ul> |
| 2        | Human Rights Risks at External Asset Managers    | <ul style="list-style-type: none"> <li>• Confirmed formulation of human rights policies at 115 managers</li> <li>• Encouraged integration of human rights risk assessment into investment processes</li> </ul>  | <ul style="list-style-type: none"> <li>• No human rights risks have been identified at this time.</li> <li>• In alternative investments, identified eight firms (up two year on year) that have not yet formulated a human rights policy, and we continue to encourage policy formulation and incorporation into investment processes.</li> </ul>   |
| 3        | Human Rights Risks at Other Contractors          | <ul style="list-style-type: none"> <li>• Surveyed the status of 163 external contractors</li> </ul>   | <ul style="list-style-type: none"> <li>• The number of contractors without human rights policy was 36, down three year on year. No signs of serious human rights risks have been identified at this time.</li> </ul>  |
| 4        | Human Rights Risks Within the Company            | <ul style="list-style-type: none"> <li>• Monthly monitoring of working conditions</li> <li>• Conducting surveys on organizational culture and workplace environment</li> </ul>  | <ul style="list-style-type: none"> <li>• The number of employees exceeding 80 hours of overtime per month increased, particularly among those under the discretionary work system. In response, we implemented appropriate health management measures, such as consultations with occupational physicians for the affected employees.</li> <li>• The workplace environment survey confirmed the effectiveness of anti-harassment measures.</li> </ul>                             |

# Implementation of Human Rights DD and Status of Risks

| Category |   | Actions   | Achievements   |
|----------|---|---|--|
| 5        | Human rights risks stemming from our officers and employees       | <ul style="list-style-type: none"> <li>Introduced an external whistleblowing system via “Engagement and Remedy Platform”</li> </ul>   | <ul style="list-style-type: none"> <li>Established effective remedy measures.</li> <li>Number of external reports: zero.</li> </ul>                                  |
| 6        | Human rights risks at brokers                                     | <ul style="list-style-type: none"> <li>Screening based on external sustainability data</li> </ul>   | <ul style="list-style-type: none"> <li>As a result of screening, no cases were found in which significant human rights risks or concerns were identified.</li> </ul> |
| 7        | Human rights risks at mutual fund distributors and intermediaries | <ul style="list-style-type: none"> <li>Screening based on external sustainability data</li> </ul>   | <ul style="list-style-type: none"> <li>As a result of screening, no cases were found in which significant human rights risks or concerns were identified.</li> </ul> |
| 8        | Human rights risks at overseas subsidiaries                       | <ul style="list-style-type: none"> <li>Compliance with human rights-related laws and regulations in each region</li> <li>Monitoring of human rights risks based on each local entity’s rules</li> </ul> | <ul style="list-style-type: none"> <li>No human rights risks have been identified at this time.</li> </ul>   |

**Expanded the scope of human rights DD to include brokers, mutual fund distributors and intermediaries, and human rights risks posed by our officers and employees.**



**Began monitoring human rights risks at brokers and mutual fund distributors/intermediaries:**

- We have built a monitoring framework for brokers and mutual fund distributors/intermediaries.
- In FY2025, we completed screening using external sustainability data.
- We decided to launch dynamic human rights risk monitoring based on publicly available negative news reports from FY2026 to promote more multifaceted assessment and management.

**Introduced an external whistleblowing system\* to appropriately manage human rights risks stemming from officers and employees.**

\*Stakeholders such as business partners can report through the third-party contact point, the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER).

- Operations began in July 2025 for the purpose of addressing risks of human rights violations by our officers and employees (e.g., customer harassment).

# FY2026 Action Plan to Address Human Rights Risks

| Category |   | Action Plan   |
|----------|---|---|
| 1        | Human Rights Risks Related to Investee Companies                  | <ul style="list-style-type: none"> <li>We will operate a multifaceted approach (designation as Companies Inappropriate for Investment, exercise of voting rights, and engagement) in a coordinated manner and continue to work to reduce human rights risks.</li> </ul> |
| 2        | Human Rights Risks at External Asset Managers                     | <ul style="list-style-type: none"> <li>In the due diligence process, we will continue to encourage the formulation of human rights policies and thorough consideration of human rights in investment processes.</li> </ul>  |
| 3        | Human Rights Risks at Other Contractors                           | <ul style="list-style-type: none"> <li>In annual monitoring, we will continue to enhance effectiveness so that human rights risks can be reliably identified.</li> </ul>  |
| 4        | Human Rights Risks Within the Company                             | <ul style="list-style-type: none"> <li>To prevent overwork, for employees whose monthly overtime exceeds 80 hours, we will conduct interviews with occupational physicians and Human Resource interviews and ensure appropriate labor management.</li> </ul>            |
| 5        | Human rights risks stemming from our officers and employees       | <ul style="list-style-type: none"> <li>To enhance the operational effectiveness of the external reporting hotline, we will conduct simulations assuming actual reporting cases and establish a rapid response framework for emergencies.</li> </ul>                     |
| 6        | Human rights risks at brokers                                     | <ul style="list-style-type: none"> <li>In addition to conventional human rights risk screening, we will begin monitoring based on publicly available information such as media reports to improve the accuracy of risk identification.</li> </ul>                       |
| 7        | Human rights risks at mutual fund distributors and intermediaries | <ul style="list-style-type: none"> <li>Same as above.</li> </ul>  |
| 8        | Human rights risks at overseas subsidiaries                       | <ul style="list-style-type: none"> <li>We will continue to provide employee training aimed at instilling human rights awareness and improving risk response capabilities, and will foster a corporate culture that respects human rights.</li> </ul>                    |

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