

Progress of Human Rights Due Diligence FYE 2026

ITOCHU Group is involved in a diverse range of business activities in various regions around the world. This makes ensuring due respect and consideration of human rights a critical issue for our Group. In FYE 2026, with the cooperation of Owls Consulting Group, Inc., we conducted a human rights due diligence process for the business partners of our Machinery Company.

■ Human Rights Due Diligence Overview

1. Selection of priority companies for survey among the Machinery Company's suppliers and business investment destinations, based on the level of human rights risks in the industry and degree of the Company's influence as related to human rights risks.
2. Implementation of a human rights survey for the companies above. Survey questions focused on the status of prevention and mitigation measures related to general human rights initiatives (policy formulation, identification of risks, grievance mechanism, etc.), as well as specific human rights risks (key human rights risks for companies to note as per international standards).
3. Selection of site visits (three companies) based on survey results, etc., concerning the status of prevention and mitigation measures related to general human rights initiatives as well as specific human rights risks.
4. Site visits and consideration of human rights issues to note, as well as related response.

Target	Indicators/Number of Companies
Human rights risk indicators surveyed (*)	Harassment, discrimination, occupational health and safety, forced labor, working hours, freedom of association, insufficient/unpaid wages, child labor, right to privacy, rights of indigenous and local people, intellectual property rights, consumer safety and right to know, bribery and corruption, conflict and oppression
Basis for selection for survey	Level of industry human rights risk and degree of Machinery Company's influence as related to human rights risks
Surveyed companies	56
Basis for selection for site visit	Status of prevention and mitigation measures related to general human rights initiatives and specific human rights risks as identified in survey, etc.
Site visits	3

(*) Elements directly linked to human rights risks, as selected from requirements under international standards such as Social Accountability International's SA8000 workplace evaluation standard and the ILO Declaration on Fundamental Principles and Rights at Work.

■ Site Visit Overview

Through interviews, review of related documents, and site inspections, human rights risks were identified for companies to consider. Each site visit included the activities below.

Activity	Main Contents
Opening	Explanation of visit goals, confirmation of activities for the day
Interviews (1)	Interviews with top management, factory managers
Document review and site inspection	Review of documents related to human rights initiatives, site inspection (factory, warehouse, office, surrounding facilities, etc.)

Interviews (2)	Employee interviews (1-3 people)
Closing	Presentation of visit results

■ Issues Identified during Site Visits, and Recommended Response

The results of our human rights due diligence process did not confirm any items of concern for immediate risk or serious negative impacts on human rights. The following recommended responses were identified to minimize potential human rights risks.

Human Rights Issue		Recommended Response
Operational health and safety	Difficult-to-avoid hazards and physically demanding duties (mechanical processing, welding, handling heavy objects, use of chemical substances) due to the nature of the work could lead to injuries	- Continuation of existing safety management and training initiatives - Knowledge-sharing between employees, including regarding near-misses - Strengthened follow-up for foreign employees - Updated training content
Harassment (workplace bullying, etc.)	In the course of work communication, cases where certain words or actions are perceived as harsh, or as harassment due to generational perception gaps	- Implementation and strengthening of internal awareness efforts related to harassment - Thorough notification of consultation and reporting systems
Discrimination (consideration of diversity, etc.)	In cases with employees from diverse backgrounds, including foreign and female employees (including third-party employees), risk of insufficient consideration for diversity	- Strengthened multilingual response - Implementation and strengthening of internal awareness efforts
Long working hours/heavy workload	Risk of heavy workloads for managers and certain employees due to nature of work and delivery deadlines	- Implementation of measures to reduce unevenly distributed workloads (i.e., appropriate management of working hours, revised business processes, etc.) - Awareness of employees' health

■ Our Policy and Plan for Action regarding Human Rights Risks

We will continue to prevent and remedy human rights risks identified through these human rights due diligence efforts. In particular, we will conduct follow-up through regular surveys and continuous engagement, such as by including the companies above in our Sustainability Survey. Additionally, we will continue to notify our business partners of our Sustainability Action Guidelines for Supply Chains, seek cooperation with our human rights efforts, and support the advancement of these efforts through information-sharing with our business partners. Going forward, we will continue to ascertain the situation on the ground for each of our business areas by regularly conducting our human rights due diligence process, and we will work to prevent, mitigate, and remedy negative impacts on human rights.