Initiatives towards Society

Respect for the Human Rights of All

Mabuchi Motor advocates "Through our corporate activities we protect our planet's ecosystem and the health of its inhabitants" in its Management Markers and "Be fair and just to others, and support and cooperate with fellow employees" in its Corporate Missions. On this basis, we respect the basic rights of our employees, including employees at our overseas facilities, and are actively working to create a workplace where every employee can play an active part in a healthy and safe manner.

We have also been a member of the United Nations Global Compact since 2021. We have declared our support for the Global Compact, a set of universal principles advocated by the United Nations in the four fields of human rights, labor, the environment, and anti-corruption, and are promoting initiatives in each field.



Mabuchi Motor Human Rights Policy

We have established the "Mabuchi Motor Human Rights Policy" as a guideline to further promote Group-wide efforts to respect human rights and fulfill our responsibilities.

In accordance with the Mabuchi Motor Human Rights Policy, we respect the fundamental human rights, diverse values, individuality, and privacy of all people affected by our business activities, and do not tolerate discriminatory language or behavior, acts of violence, power harassment, sexual harassment, bullying, or other acts that disregard the individuality of any person with regard to race, religion, gender, nationality, physical disability, age, or other factors. We do not tolerate forced labor or child labor, including slavery and human trafficking.

Important human rights issues

Mabuchi Motor considers the following human rights issues to be of particular importance and is working to address them.

- Prohibition of forced labor and child labor
 Prohibition of discrimination and inhumane treatment
- Ensuring proper working conditions
- Respect for freedom of association and the right to collective bargaining

Human Rights Due Diligence

We shall establish and continuously implement a human rights due diligence mechanism to fulfill its responsibility to respect human rights in accordance with the "United Nations Guiding Principles on Business and Human Rights."

1. Evaluation of Human Rights Risks (Assessment)

To clarify the human rights risks in Mabuchi Motor's supply chain, we conducted a human rights risk assessment of our company and our suppliers with reference to international norms on human rights.

- Implementation Period: November 2023 January 2024
- Scope: Mabuchi group and suppliers

• Description of implementation: Estimate the likelihood of occurrence of various human rights issues based on self-assessment of the status of understanding of laws and establishment of systems related to various human rights issues and identify priority items for risk mitigation efforts in light of the severity of each human rights issue.

2. Risk Mitigation (Including assessment results)

The results of the assessment identified the need to prioritize risk mitigation efforts with respect to the "right to access remedies" at suppliers. A reporting and consultation system plays a major role in the early detection of human rights risks and appropriate responses. We will continue to monitor the situation of our business partners in more detail, and in cases where the risk is deemed to be particularly high, we will take action, such as requesting early improvement.

3. Monitoring

We will continue to conduct assessment to human rights issues arise from our business activities.

4. Disclosing Information on Human Rights

We will continue to report our human rights initiative on our corporate website and in our Integrated Report.

Correction and Remediation

Mabuchi Motor will address through appropriate procedures when it becomes clear that our business activities have a negative impact on human rights. In addition, we have established a "Code of Ethics Hotline" for reporting and consultation on compliance issues, including human rights. The Code of Ethics Hotline is anonymous and confidential, and covers not only our employees but also some of our business partners.

Promotion of Responsible Procurement

CSR Procurement Guidelines

With each passing year, customers are becoming increasingly interested in the entire supply chain where products and services are produced. We therefore established the "Mabuchi Motor CSR Procurement Guidelines" in February 2022 based on our belief that it is necessary to have a common understanding of CSR with our suppliers and to cooperate with them in this endeavor. The Guidelines are available in Japanese, English and Chinese and are disseminated to all suppliers to promote initiatives such as occupational safety and respect for human rights throughout the supply chain.

Responsible mineral procurement

We do not procure parts or materials containing minerals related to the risks specified in the "Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict and High-Risk Areas, Annex II" of the Organization for Economic Cooperation and Development (OECD), including serious human rights abuses, environmental destruction, corruption, and conflict in conflict and high-risk areas ("OECD Guidance Annex II"). In addition, we do not procure parts or materials containing minerals such as tin, tantalum, tungsten, gold, cobalt, mica, etc., that pose a risk as stipulated in the OECD Guidance Annex II.

We also cooperate with supply chain investigations, such as identifying the country of origin of minerals and smelters using internationally recognized tools such as the Conflict Minerals Reporting Template (CMRT) provided by Responsible Minerals Initiative (RMI). In the unlikely event that minerals are found to be complicit in conflict or involved in gross human rights abuses, we take corrective action.

From a humanitarian point of view, we will continue to work closely with our suppliers and further improve the transparency of our supply chain to ensure that we continue to procure minerals that do not benefit groups that violate human rights.

Health and Safty, Health and Productivity Management

Advocating "Through our corporate activities we protect our planet's ecosystem and the health of its inhabitants" in its Management Markers and positioning "Ensuring the health and safety of employees" as a materiality, Mabuchi Motor is working on measures to prevent occupational injuries and to improve the working environment in offices and factories.

Initiatives for mental and physical health

We believe that keeping the mind and body of employees healthy and working vigorously is the basis of social life and enhances corporate vitality. Based on this belief, we are pursuing initiatives that help to maintain and promote employee health by establishing "Mabuchi Motor's Health and Productivity Management Declaration."

For more than 20 years, the Headquarters has been conducting mental health surveys, as well as providing in-house counselors and holding various health lectures. In addition, with the aim of preventing and improving employees' lifestyle-related diseases, we encourage them to take sufficient rest, both physically and mentally, and to improve their dietary habits by eating more and using nutritionally balanced menus.

Mabuchi Motor's Health and Productivity Management Declaration

Mabuchi Motor has stated in its Management Markers, "Through our corporate activities we protect our planet's ecosystem and the health of its inhabitants." In practice, this means being ever watchful to avoid activities that cause pollution and associated health hazards. It also means managing effectively to ensure that our employees, our most important business resources, enjoy good health. Promoting health and wellbeing is an important part of helping each and every one of our employees to reach their full potential personally and professionally. For this reason, we provide a safe, comfortable and health-oriented workplace by actively maintaining and improving the health of our employees.

The promotion structure of health and productivity management and major KPIs are here. <u>https://www.mabuchi-motor.com/csr/social/safetyandhealth.html</u>



Social Contirbution and Educational Support

We contribute to the development of society by extending a range of support to local communities and international society. This effort is in line with our Management Principle "Contributing to International Society and Continuously Increasing Our Contribution." As one such activity, by setting "Encouraging an interest in science and manufacturing in the next generation" as one of the key sustainability issues, we provide educational support to the students and young people who represent our future, to help them grow up surrounded by the joy of science and manufacturing. In addition, we continue to implement community-based environmental protection and social welfare activities.

Craft classes and visiting classes

We are carrying on the ideals of our founder, Kenichi MABUCHI, who said "In order to build Japan's future, we must promote science education" when he created the school motor as a teaching material for schools, and we continue to engage in educational support activities.

One of our sustainability targets for the 2024-2030 period is "provide opportunities for children as next-generation leaders to deepen their interest in science" with the KPI "number of participants in craft classes and on-site classes." In order to achieve this target, we will expand the scope of our activities and initiative promotion to the entire Group, including not only our headquarters but also our overseas bases.

Holding Motor Classes in Japan and Overseas

Since 2008, the Headquarters have been holding "Summer Vacation Motor Craft Classes" for elementary school students in Matsudo City, where the Headquarters are located. We had to cancel it in 2020 due to the COVID-19 pandemic, but since 2021, we have switched to an online format and are holding the classes every year. In 2023, more than 440 groups participated, setting a new record.

The number of classes held at overseas locations is increasing, and in 2023, "motor classes and craft classes" for elementary school students were held by Danang Mabuchi. On the day, 44 year-four students and teachers from Nguyen Van Troi Elementary School in Danang participated, with the consul from the Consular Office of Japan in Danang also attending. Elementary school students and teachers who participated in the program commented that it was "fun to learn about how motors works" and that they "would like to think about the contents of school science lessons with reference to this activity," yielding a positive response from the local participants.



Online crafts class organized by the Headquarters



Motor class organized by Danang Mabuchi



Visiting class held at an elementary school in Matsudo City

Various Co-sponsoring Activities

Continuous Robot Contest Support

Aspiring to help to foster future engineers and develop science and technology, we have been co-sponsoring the National Technical College Robot Contest and the ABU Robot Contest since 2002 and the College Robot Contest since 2004, providing motors and funds to operate the contests. Moreover, with the aspiration that motor knowledge leads to better manufacturing, we are working to support the training of young engineers through the Robot Contest, including motor exhibits and explanations by technical employees at the convention.

Technical College GCON2023 to Promote Women's Participation

In 2023, we co-sponsored the 2nd Technical College GIRLS SDGs × Technology Contest (Technical College GCON2023) for the first time. The purpose of the Technical College GCON is to promote the fostering of future researchers and engineers by thinking about how their day-to-day research and learning can contribute to solving various social issues in terms of the SDGs, with a team consisting mainly of female students from technical colleges nationwide. Through various sponsorship activities, we will continue to support the building of a society where women can play an active role and children are raised with an interest in science and manufacturing.



