

# Human Rights



# Human Rights

## Isuzu Group Human Rights Policy

On February 25, 2022, the Board of Directors approved and established the Isuzu Group Human Rights Policy (hereinafter referred to as the Policy). This policy complies with the United Nations Guiding Principles on Business and Human Rights and reiterates Isuzu's commitment to contribute to the realization of a sustainable society by promoting business activities that respect human rights as part of its corporate social responsibility amid expectations that the international community will foster a corporate culture of respect for human rights and make efforts across all business activities.

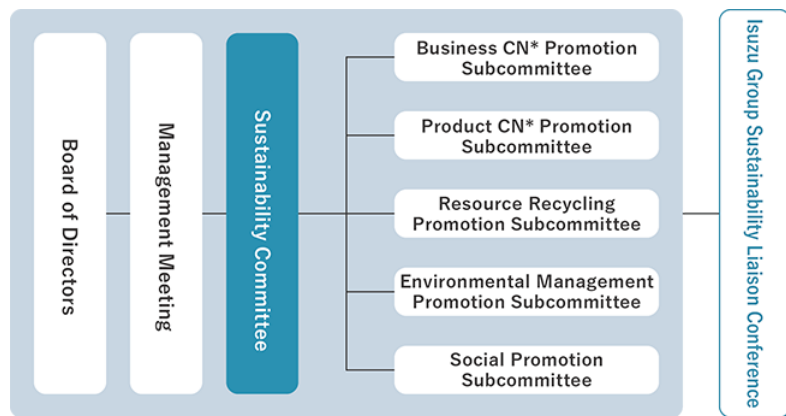
In accordance with this policy, Isuzu will comply with international norms, laws and regulations, group norms, etc., develop a Group human rights promotion system, engage in human rights due diligence, and provide appropriate education to officers and employees. Additionally, based on the importance of respect for human rights in business, we will engage in dialogue with our stakeholders and strive to promote understanding among our business partners.

For details, please refer to the Isuzu Group Human Rights Policy.

> [Isuzu Group's Human Rights Policy](#)

## Management Structure

Amid expectations that the Company fosters a corporate culture of respect for human rights in all aspects of its business activities, the Isuzu Group is promoting business activities that respect human rights as part of its corporate social responsibility. Human rights issues are deliberated upon by the Sustainability Committee, which is chaired by the Executive Vice President and consists of the officers in charge of each division and other members of management. Important issues are then reported to the Management Meeting and the Board of Directors. The Sustainability Department, a dedicated department, is mainly responsible for the implementation of human rights safeguarding measures together with related divisions. A subcommittee of the Sustainability Committee, the Social Responsibility Promotion Subcommittee deals with social issues, and representatives from all divisions attend to discuss human rights matters. Furthermore, from FY2023, in the Isuzu Group Sustainability Liaison meetings, we now share information with sustainability managers from domestic and international Group companies and appoint human rights officers in each company. Together as a Group, we are promoting efforts to respect human rights.

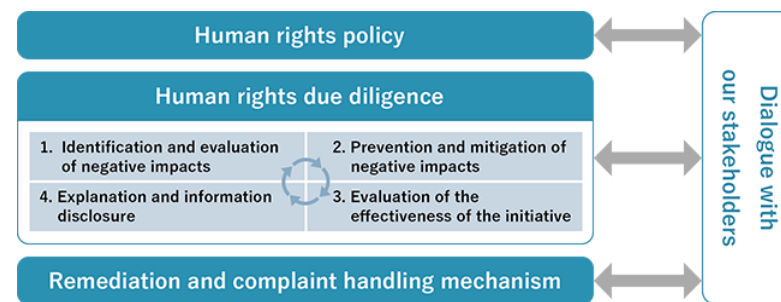


\* CN: Carbon neutral

## Human Rights Due Diligence

Isuzu Group is progressing with the establishment of a process for human rights due diligence and the practice of respecting human rights based on the Isuzu Group Human Rights Policy, in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs).

### Process of human rights due diligence



### Identification and Evaluation of Negative Impacts

In 2023, Isuzu Group, with the cooperation of external experts from the Caux Round Table Japan, conducted an assessment to identify potential risks to human rights arising from the Group's business activities. As a specific procedure, all departments participated in discussions about human rights concerns at each phase of the value chain within the Social Responsibility Promotion Subcommittee under the Sustainability Committee. Furthermore, interviews were conducted with the relevant divisions, and the discussions and interview contents were analyzed and organized from a societal perspective to identify human rights themes to be prioritized for action. After discussions in the Sustainability Committee, the human rights issues at play were decided in the Management Meeting.

### Identified priority human rights themes to be addressed

- ① The issues involving foreign workers within the Company's group, including Isuzu dealers, are also relevant to the broader supply chain.
- ② Management of human rights issues and initiatives within the value chain, including downstream logistics.



Social Responsibility Promotion Subcommittee Workshops

## Human Rights

### Initiatives on Human Rights Due Diligence Concerning Foreign Workers

Japan's automotive industry currently engages many foreign workers, including technical interns. We have confirmed that Isuzu Group and our business partners are accepting overseas technical intern trainees in numerous companies. As a result, addressing issues related to foreign workers has become a significant human rights issue in Isuzu's supply chain, and we are implementing various measures in response to this. In April 2022, Isuzu's efforts were recognized in this regard when we received certification as an excellent training provider. We will continue to create and maintain a more comfortable work environment for foreign workers and a support system in cooperation with supervisory bodies.

#### Conducting Interviews with Overseas Technical Intern Trainees

As part of our human rights due diligence, we conducted interviews with overseas technical intern trainees in January and February 2023 at one of our Group companies and two of our business partners. The interviews were conducted in person with the assistance of a third-party organization, the Caux Round Table Japan (CRT), to ensure objectivity and impartiality. Based on the results of these interviews, Mr. Ishida, the Secretary-General of CRT, provided an evaluation comment stating that, overall, the relationship between foreign workers and the Company is sound, and although there is room for some improvement, there are no particular human rights issues of concern at this point. In the future, we will continue to expand and sustain our human rights activities with the cooperation of all our business partners, and we will respond sincerely to improvement suggestions and other feedback.

	Company A (Group company)	Company B (business partner)	Company C (business partner)
Implementation date	January 31, 2023	February 7, 2023	February 8, 2023
Nationality/Number/Gender of the subjects	Indonesian / 3 / Male	Chinese / 4 / Female	Indonesian / 3 / Male Thai / 1 / Male
Key comments from third-party organizations (excerpt)	<ul style="list-style-type: none"> <li>Leaders and mentors are considerate and have established a trusting relationship with the trainees.</li> <li>A 40-minute bicycle commute is generally considered quite long, so we expect appropriate measures to prevent accidents.</li> </ul>	<ul style="list-style-type: none"> <li>Communication between the Company and the union is good, and the Company is also providing excellent support.</li> <li>We expect more consideration in the allocation of dormitory rooms, such as providing multiple options to choose from.</li> </ul>	<ul style="list-style-type: none"> <li>With leaders taking the initiative and responding promptly to concerns, a working environment where employees can feel at ease has been created.</li> <li>In some cases, certain Company housing units lack lockable safes and, we expect improvement measures to be implemented.</li> </ul>

### Prevention and Mitigation of Negative Impacts

#### Education and Awareness-raising Activities for Respecting Human Rights

##### For employees

To deepen employees' understanding and emphasize the importance of respecting human rights in corporate activities, we offer human rights education with the theme of Business and Human Rights during the development of our human rights policy and as part of the onboarding training for new employees. Additionally, concerning domestic and overseas Group companies, we participate in the exchange of information on human rights through the Isuzu Group Sustainability Liaison meetings, and we regularly provide human rights education for personnel responsible for human rights.

##### For our business partners

At Isuzu, we have been holding human rights seminars for our business partners every year since FY2022 to promote business activities that respect human rights across the supply chain. In FY2023, we introduced Isuzu's human rights initiatives and hosted a guest lecture from the Caux Round Table Japan on the implementation of human rights due diligence.

#### Isuzu Supplier Sustainability Guidelines

Isuzu has been conducting socially responsible procurement activities in collaboration with our trading partners based on the 'Supplier CSR Guidelines' up until now. However, considering the changing trends in sustainability and the expectations of our stakeholders, we revised and updated the guidelines to the 'Isuzu Supplier Sustainability Guidelines' (hereinafter referred to as the 'Guideline') in December 2022. In this revision, we have enhanced the content to promote the shared values of sustainability, including environmental and human rights aspects, throughout Isuzu's supply chain. Based on the 'Isuzu Group Human Rights Policy' formulated in February of the same year, we encourage the utilization of this Guideline to advance your efforts, and we also request your cooperation in disseminating and understanding the Guidelines not only within your organization but also across your supply chain. We kindly request our business partners to agree with Isuzu's principles and confirm their commitment to comply with the requirements of this Guideline for all products and services supplied to Isuzu, by signing an agreement. As of May 2023, we have received signatures from approximately 80% of our business partners, representing around 80% of the annual purchase amount.

> [Isuzu Supplier Sustainability Guidelines](#) 



## Human Rights

### Initiatives for Labor Issues

#### Prevention of Child Labor

At Isuzu, the employment of children is strictly prohibited by regulations, and there were no instances of hiring individuals under the age of 18 in FY2022.

#### Prevention of Forced Labor

Employees directly employed by Isuzu are not compelled or restricted in their employment except as specifically agreed upon in accordance with employment rules and with the consent of the Isuzu Motors Labor Unions, organized by a majority of the employees. Furthermore, they will not be subject to discriminatory treatment based on nationality, creed, or social status in relation to the working conditions stipulated in the employment rules.

#### Living Wage Support

We have concluded an age-based minimum wage agreement with the Isuzu Motors Labor Association, the labor union of the majority of our employees, to provide a safety net for the living standards of our employees. We discuss and revise wage levels as necessary at annual labor-management negotiations. Additionally, we have established standards for bonuses and other benefits during leaves of absence to help safeguard employees' livelihoods.

This agreement is reported to the National Federation of Isuzu Motors Workers' Unions, the highest-level union, to encourage increasing minimum wages across the entire Group.

#### Risk Assessment for Labor Issues

Risks are identified in areas such as labor problems, discrimination, harassment, mental health, and management failures caused by differences in values. They are evaluated quarterly to determine whether they have arisen and assess countermeasures to prevent risks and minimize their impact when they do arise. Our efforts to date regarding overseas technical intern trainees working in environments with different cultures and languages have been officially recognized. Specifically, in April 2022 we received certification as an excellent training provider. We will continue to eliminate human rights risks that could lead to forced labor while striving to create and maintain a more comfortable work environment and a support system in cooperation with supervisory bodies.

Furthermore, there have been no confirmed violations related to labor laws that could impact Isuzu's business activities in FY2023.

### Black Economic Empowerment Policy Initiatives at Isuzu Motors South Africa

The Isuzu Group believes in employing local workers and actively recruits locally in the countries and regions in which it operates. Isuzu Motors South Africa (IMSAf), which produces and sells commercial vehicles, buses, and LCVs for South Africa and neighboring countries, does not only promote employment in the region but is also actively working to support South Africa's Broad-Based Black Economic Empowerment (B-BBEE) policy. Of IMSAf managers, 39% are HDSA\*, of which 9% will be promoted in 2022. We have also hired 16% more new HDSA\*. IMSAf has achieved Level 1 on the B-BBEE Scorecard for the third consecutive year. It remains the only commercial vehicle manufacturer to achieve Level 1 and was awarded the highest score ever given.

\* Historically Disadvantaged South Africans: South Africans who have been historically disadvantaged due to discrimination against Black people, women, etc. during the apartheid era.

### Evaluation and Information Disclosure

#### Investigation Through Self-Assessment Questionnaire

Since FY2022, we have been asking our business partners to answer the CSR Procurement Self-Assessment Questionnaire issued by the Global Compact Network Japan to confirm the status of their sustainability initiatives concerning human rights. In FY2023, we received responses from approximately 90% of our business partners, corresponding to the annual purchase amount. Additionally, we requested responses from 65 consolidated subsidiaries both domestic and overseas and received responses from all of them (100%). Starting from FY2024, we will conduct surveys using a new self-assessment questionnaire aligned with the content of the Isuzu Supplier Sustainability Guidelines. In cases where risks become evident, we plan to initiate improvement efforts through discussions with our business partners and on-site investigations.

### Remediation and Complaint Handling Mechanism

#### Establishment of an Employee Consultation Service

Isuzu has established three consultation counters for internal reporting and consultation on compliance: a workplace counter (under the supervision of supervisor), an intra-division counter (under the supervision of division managers), and a Company-wide counter (under the supervision of the Compliance Management Group, Legal Dept.).

These contact points act as impartial receivers of information and serve not only in cases of clear violations of laws and regulations or internal rules but also for consultation on matters that appear suspicious and as a contact point for inquiries regarding internal rules and laws and regulations related to business operations. Additionally, a suggestion box (External Point of Contact) has been set up at an external law firm as a contact point in the event that, for whatever reason, it is difficult to consult or resolve a problem through the internal consultation service. The internal and external consultation offices accept consultations and inquiries by e-mail, fax, telephone, and letter. In accordance with the Whistleblower Protection Act, the names of individuals who provide information and the content of such information are treated as confidential information and are protected to ensure that individuals will not be treated unfairly within the Company.

To familiarize staff with these consultation services, we distribute a Compliance Guidebook and Compliance Card to all employees, which includes contact information for each consultation service and the suggestion box. Additionally, Isuzu regularly informs employees of their contact point through Isuzu Quality and Compliance Promotion Meetings, posters, and other means. The Compliance Management Group of the Legal Dept. serves as the secretariat for matters reported or discussed at each contact point and works to confirm the facts and make improvements.

In FY2023, there were 46 cases (9 cases related to the Company and 37 cases related to Group companies) that were reported to or consulted on by the external consultation service. Those requests received through the internal and external consultation services were handled appropriately, and we confirm that there have been no serious compliance violations. The status of compliance efforts and the number of consultations and serious violations are reported to the Board of Directors.

#### Business Partner Consultation Service

We also have a Business Partner Consultation Service within our Legal Depts. Compliance Management Group, for providing our business partners with impartial consultations on compliance-related matters.

## Human Rights

### Participation in the JP-MIRAI Consultation and Relief Service Initiative

As part of the establishment of a relief mechanism for foreign workers, we participated in the consultation and relief service initiative of the Japan Platform for Migrant Workers towards Responsible and Inclusive Society (JP-MIRAI) in October 2022. JP-MIRAI is a platform aimed at contributing to the creation of a prosperous and sustainable society by responsibly and stably accepting foreign workers and improving their work and living environments. This is in line with the Sustainable Development Goals (SDGs) targeted for the year 2030. The platform aims to make Japan a country of choice, a trusted destination for migrant workers around the world.

In this initiative, the JP-MIRAI portal site is utilized to disseminate necessary information to foreign workers. It also provides anonymous and multilingual external consultation services, as well as feedback to participating companies. Currently, we are participating with a focus on foreign workers from Isuzu Motors and two Group companies. Additionally, through participation in this initiative, we will engage in discussions with the JP-MIRAI Secretariat and other participating companies.

### Dialogue with Stakeholders

At Isuzu, we believe that it is important to proactively convey our thoughts to various stakeholders and actively listen to their voices. We recognize the importance of respecting human rights when conducting business, and we will continue to engage in dialogue with stakeholders while seeking the assistance of external experts on human rights. Through these efforts, we aim to make progress in addressing human rights issues.

### Participation in Stakeholder Engagement Program

Isuzu believes that it is important to understand the negative impacts on human rights resulting from its business activities from the perspective of stakeholders. Therefore, starting in FY2024, Isuzu has been participating in the Stakeholder Engagement Program organized by the Caux Round Table Japan. Through this platform, participating companies, experts, NGOs/NPOs, and others engage in dialogues on a wide range of human rights issues and, in so doing, gain an understanding of the perspectives of rights-holders and acquire the knowledge required to implement human rights due diligence as called for by the United Nations Guiding Principles on Business and Human Rights.

> Related Links: CRT Stakeholder Engagement Program 