

April 1, 2022

The MISI Group Corporate Whistleblowing System ~ Significance and Importance ~

Marubeni-Itochu Steel Inc. has established an internal notification (whistleblowing) system designed to 1) protect whistleblowers reporting on potential compliance violations at MISI Group companies both in Japan and overseas, and 2) strengthen the Group's compliance management through the early detection and correction of such violations.

MISI Group executive officers and employees regularly receive reminders to uphold the tenets of compliance—namely, to observe the laws and regulations in Japan and other nations, while pursuing actions based on sound judgement and guided by high corporate ethics. The MISI whistleblowing system was conceived as a critical platform built to uphold this Group-wide stance.

Each MISI Group company has instituted internal rules on whistleblowing that prohibit job dismissals and other detrimental treatment that whistleblowers may suffer because they made such notifications. The goal of this approach is to ensure that all executive officers and employees who become aware of potential compliance violations within the scope of Group activities use the whistleblowing system without hesitation.

~ Whistleblowing System Configuration and Operational Status ~

1. Whistleblowing Contacts

The MISI Group provides whistleblowing contacts as follows. We accept telephone, email and online form consultations.

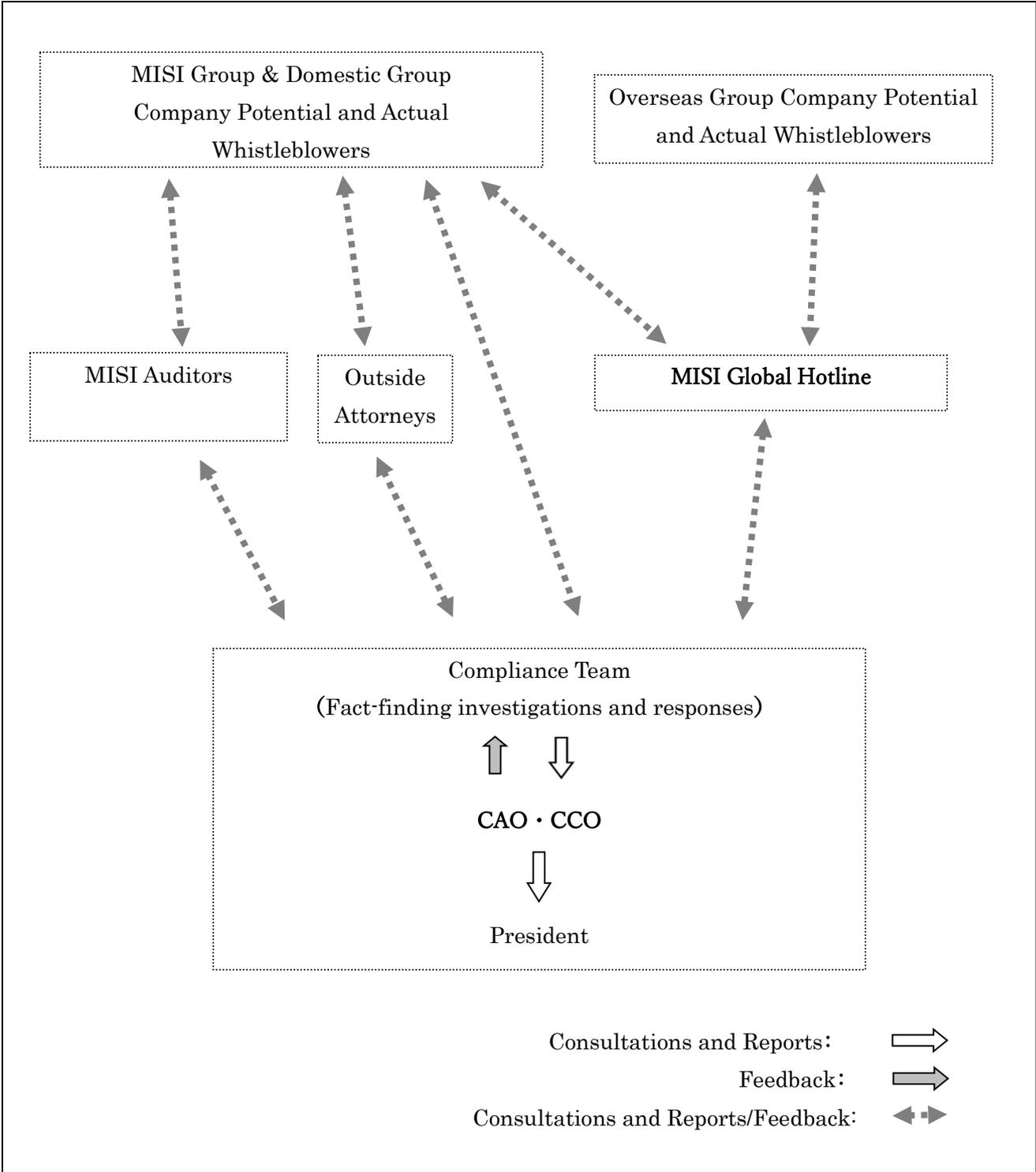
[Japan Domestic Whistleblowing Contacts]

- Compliance Team Manager
- Statutory auditors
- Outside attorneys (Hokuto Law Office)

[Japan Domestic and Overseas Shared Whistleblowing Contact]

- MISI Global Hotline

2. Whistleblowing Flowchart



MISI Group & Domestic Group
Company Potential and Actual
Whistleblowers

Overseas Group Company Potential
and Actual Whistleblowers

MISI Auditors

Outside
Attorneys

MISI Global Hotline

Compliance Team
(Fact-finding investigations and responses)
↑ ↓
CAO · CCO
↓
President

Consultations and Reports: →

Feedback: →

Consultations and Reports/Feedback: ↔

3. Whistleblowing System Users

MISI Group regular employees, part-time employees, temporary employees and persons stationed in-house pursuant to secondment agreements can all use the whistleblowing system. They may also use the system after retiring from the Group (or after their secondment assignments have ended).

4. Actions Addressed in Whistleblowing Complaints

The following potential compliance violations shall be addressed in whistleblowing complaints:

- Violations of laws and regulations, articles of incorporation and in-house rules (including the Compliance Manual), as well as actions with the potential to become such violations
- Actions with the potential to cause actual or reputational damage to the MISI Group
- Possible misconduct that is subject to disciplinary punishment under work regulations
- Actions with the potential to seriously and negatively affect human life, health and/or the natural environment

The whistleblowing contacts handle consultations and reports related to potential compliance violations, as well as inquiries pertaining to the whistleblowing system and how it works. Our section (the Compliance Team) always accepts questions, provides advice on topics such as the flow of events, corrective measures, recurrence prevention measures and other actions subsequent to whistleblowing.

5. Whistleblowing Nondisclosure Obligations

The MISI employees in charge of hotline support contacts and handling whistleblowing responses are under nondisclosure obligations. Employees that violate these obligations shall be disciplined pursuant to the whistleblowing rules and work regulations.

6. Prohibiting the Mistreatment of Whistleblowers

MISI prohibits the mistreatment of whistleblowers for speaking up about potential compliance violations. The “detrimental treatment” referred to in this context includes (but is not limited to) the categories listed below. If there is evidence of whistleblowers being subjected to such mistreatment, hotline support contacts should be consulted immediately.

- Forcing whistleblowers to submit resignation letters, refusing to renew their work contracts, refusing to hire or rehire them, forcing leaves of absence

- Demoting them; ordering them to take detrimental reassignments, job assignments, transfers, extended business trips and the like; mistreatment related to career advancements and/or promotions; disciplinary punishment
- Reducing salary; pursuing other detrimental actions related to pay reductions, basic salary, various allowances, bonuses, retirement allowances, health and welfare benefits and other forms of compensation; discriminatory assessments of pay increases and bonuses; placing damage claims
- Not assigning tasks to the whistleblower; demanding the compulsory performance of miscellaneous tasks; refusing to allow him/her to participate in company events; intentionally leaking his/her personal information and secrets
- Reprimanding, threatening retaliation, displaying disregard or otherwise harassing the whistleblower or persons cooperating in investigations on grounds of having conducted inquiries about certain individuals, engaging in whistleblowing or cooperating with investigations

7. Corrective Actions and Recurrence Prevention Measures

Compliance violations coming to light through whistleblowing shall be addressed immediately with corrective actions and recurrence prevention measures.

The results of investigations into potential compliance violations shall be reported to whistleblowers, as shall subsequent corrective actions and recurrence prevention measures, as long as such feedback does not infringe upon the privacy of the subjects of the whistleblowing or other parties engaging in potential compliance violations.

8. Operational Status

MISI had 21 whistleblowing cases during fiscal 2021 (7 placed to the internal hotline, 3 to the outside law office, 5 to the MISI Global Hotline, and 6 to another in-house consulting contact). In all cases, appropriate actions were taken.

~ MISI Whistleblowing System Certification ~

Effective December 4, 2021, the MISI Whistleblowing System was update registered in the Whistleblowing Compliance Management System certification (registration system based on the self-declaration of conformity) under the jurisdiction of the Consumer Affairs Agency.



MISI pledges to continue to vigorously promote effective and reliable compliance management, redoubling the quest to elevate its corporate value through the supply of products and services distinguished by outstanding safety and peace of mind.