

Partnership Requirements for Suppliers

Aiming to achieve a Kirei life for all—providing care and enrichment for the life of all people and the planet, and with the belief that our suppliers are essential partners that work with us to implement *Yoki-Monozukuri* and solve social and environmental problems, we have established the Partnership Requirements for Suppliers based on our Policies for Procurement.

Suppliers are requested to review and comply with these requirements, and extend the same request within their own supply chains.

We prioritize suppliers that comply with these requirements. We confirm the status of compliance of our suppliers with these requirements, through audits and other measures, and take action as appropriate in the case of compliance violations, including issuing guidance for improvements and suspending business transactions.

These requirements have been created with regard for the Sustainable Development Goals (SDGs) and the Ten Principles of the United Nations Global Compact.

These requirements may be amended from time-to-time following changes in the society and environment.

Walking the Right Path

<Legal compliance and ethics>

- Implementation of measures to ensure compliance with laws and regulations and social norms;
- Maintenance of fair and transparent corporate governance;
- Strict control of confidential information in business activities, including personal information, and appropriate disclosure of information including those based on societal expectations, for example information on animal testing; and
- Implementation of measures to prevent infringement of intellectual property rights.

<Human rights and labor>

- Formulation and implementation of corporate policies on ethics (regulations and human rights policy) that include principles such as the elimination of all forms of discrimination and prohibition of complicity in human rights violations;
- Implementation of measures to prevent forced labor, according to the following principles: every worker should have freedom of movement, no worker should pay for a job and no worker should be indebted or coerced to work;
- Implementation of measures to prevent child labor and illegal labor;
- Respect for freedom to form or join a labor union;
- Compliance with labor conditions, including minimum wages and living wages, specified in laws and regulations that are applicable in the relevant region;
- Consideration for employee health, provision of a safe and hygienic working environment and compliance with labor laws;
- Establishment of a diverse and inclusive working environment; and
- Respect for the rights of indigenous people and local communities (including land rights).

<Fairness>

- Compliance with laws regarding business transactions, such as antitrust laws, and fair trade;
- Establishment of systems for the prevention, early discovery and rectification of misconduct and

human rights violations (including commitment to treat reports in confidence, excluding cases where disclosure is necessary for proper investigation, and a prohibition of retaliation against whistleblowers, etc.);

- Establishment of rules on entertaining/being entertained by suppliers and giving/receiving business gifts to prevent unfair transactions, and a ban on bribing public officials; and
- Appropriate reporting of any conflicts of interest.

<Responsible chemicals management>

- Proper management of chemical substances.

Making Thoughtful Choices for Society

<Contribution to society>

- Support for measures that promote coexistence with society; and
- Continual improvements in product and service value. ;

<Supply chain management>

- Product and service quality assurance and information disclosure (contents, information on environmental impact, etc.);
- Implementation of necessary measures to ensure the stable supply of products, including Business Continuity Plan (BCP) preparations.

Making the World Healthier & Cleaner

<Environmental management>

- Establishment, maintenance and improvement of environmental management systems; and
- Disclosure of environmental efforts.

<Sustainability>

- Promotion of decarbonization across the entire product lifecycle (setting of reduction targets, resource conservation, energy conservation, use of renewable energy, greater transportation efficiency, etc.);
- Voluntary management including for water conservation and effective water usage;
- Sustainable use of resources (prohibition of deforestation and peatland development, etc.);
- Self-management of biodiversity conservation; and
- Promotion of recycling across the entire supply chain, waste reduction and appropriate waste treatment.

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Kao Corporation

The logo for Kao Corporation, featuring the word "Kao" in a bold, green, sans-serif font.