

## **Kyowa Kirin Group Procurement Policy**

Established on November 29, 2012

Revised on December 1, 2023

### **I. PURPOSE**

To make contributions to the health and affluence of the people in the world according to its management philosophy, the Kyowa Kirin Group will continue contributing to the development of sustainable society by promoting the Sustainable Procurement activity in collaboration with suppliers, to realize creation of new value on the strength of the life science and the technology.

### **II. SCOPE**

The Kyowa Kirin Group Procurement Policy shall apply to all the members working for the Group, without regard to regions, countries, position or post (officers, employees or dispatched staff members, etc.), or full-time or part-time workers.

### **III. DEFINITIONS**

1. The Sustainable Procurement shall mean the procurement activity that has most positive influence environmentally, socially and economically that occurs in the entire lifecycles, which aims at minimizing unfavorable effects.

### **IV. GUIDING PRINCIPLES**

#### **1. Quality first**

(1) In procurement practices, we place a high priority on pursuing safety and quality in accordance with the "Kyowa Kirin Group Quality Assurance Policy," while also taking costs into account.

(2) We welcome new ideas and technical solutions for increasing customer value from suppliers.

#### **2. Fair and open business dealings**

(1) We select suppliers based on their performance in quality (Q), cost (C), delivery (D), reliable supply, CSR efforts, technological expertise, sustainability (S) and ability to propose innovative ideas, etc.

(2) We use a competitive bidding and selection process for procurement to ensure fairness to all suppliers.

#### **3. Compliance**

(1) We observe social norms as well as the letter and spirit of laws and regulations, and conduct business in a sensible and socially responsible manner.

(2) Employees engaged in procurement practices shall not have personal conflicts of interest with any supplier. They shall not receive from any supplier rewards or gifts which deviate from social norms. They shall not force any supplier to make donations to the Group nor to buy products and services from the Group. They shall not impose a reciprocal business arrangement on any supplier.

4. Environmental considerations

(1) We observe environmental laws, regulations, and ordinances, voluntary industry standards for the environment, and our own voluntary standards, to help society maintain a harmonious coexistence with nature.

(2) We conduct environmentally sensible, nonpolluting procurement practices in accordance with the "Kyowa Kirin Group Environmental Policy".

5. Coevolving relationships of mutual trust with suppliers

(1) We strive to establish long-term, coevolving relationships of trust with suppliers. We work with suppliers to manage and avoid risks so as to minimize their impacts on society and the Kyowa Kirin Group's business.

(2) We take the utmost care when managing personal information and confidential business information provided to us by suppliers, and do not disclose them to internal or external parties without the explicit approval of the original suppliers of such information.

V. SUPPLEMENTARY PROVISIONS

Section responsible for the Kyowa Kirin Group Procurement Policy: Procurement Department