

# Asahi Group Global Supplier Code of Conduct



## **Table of Contents**

1.	The	e Asahi Group Global Supplier Code of Conduct	4		
2.	Арр	plication and scope	5		
3.	Bus	siness integrity	5		
4.	Hun	man rights and labor standards	6		
Z	l.1	Child labor	7		
Z	1.2	Forced and compulsory labor	8		
2	1.3	Discrimination and harassment	8		
Z	⊧.4 <b>Safe</b>	Safe and decent work conditions			
	Haza	ardous materials	9		
2	1.5	Responsible recruitment	9		
2	1.6	Fair wages	10		
2	1.7	Working hours	10		
2	1.8	Women's rights	11		
2	1.9	Freedom of association and collective bargaining	11		
5.	Rigl	hts to land and natural resources	11		
6.	Hun	man rights defenders	12		
7.	Env	/ironment	12		
7	7.1	Compliance with all applicable environmental laws and regulations	12		
7	7.2	Reducing environmental impacts	12		
8.	Res	sponsible drinking	13		
9.	Info	ormation management	14		
10. Product quality and safety					
11.	Orig	gin transparency	14		
12.	Grie	evance mechanism and remediation	14		
1	2.1	Prohibition against retaliation	15		
13.	Sub	o-contracting	15		
14.	Per	formance monitoring and compliance breaches	15		
15.	Poli	icy Review	17		



#### **Issuing Function /Author** CEO Asahi Global Procurement

#### **Target audience**

This Global Supplier Code of Conduct applies to all Suppliers, their officers, employees, representatives, subsidiaries, agents, contractors, or upstream suppliers ("Associated Parties") providing goods or services to Asahi Group, its subsidiaries, or other companies it directly or indirectly owns or manages. Suppliers include any individual or corporate entity associated with Asahi Group, or who performs functions in relation to, or on behalf of, Asahi Group.

#### Approver

Group CFO Asahi Group Holdings

#### Date of publication August 08/2024

#### Order of precedence

This Asahi Group Global Supplier Code of Conduct takes precedence at any time over any local or regional policy, and in case of any differences between any Asahi regional entity and local entity Procurement policies, the Asahi Group Global Supplier Code of Conduct shall take precedence.

#### Disclaimer

This Asahi Group Global Supplier Code of Conduct provides general guidelines / rules / instructions for all suppliers of Asahi Group worldwide. While comprehensive, it may not cover all legal requirements in every jurisdiction. Suppliers must comply with this Global Supplier Code of Conduct alongside local laws and regulations. In case of conflict, local laws take precedence. This Global Supplier Code of Conduct is reviewed periodically and may be updated.



## 1. The Asahi Group Global Supplier Code of Conduct

The Asahi Group ('Asahi', 'we') is committed to a principled approach to doing business. We operate in a way that promotes responsibility in the areas of human rights, the environment, compliance, and ethical conduct, and actively discourage corruption and corporate fraud. We expect our Suppliers to meet the same standard.

Asahi Group includes those group of companies which are direct or indirect subsidiaries or otherwise ultimately owned or controlled by Asahi Group Holdings, Ltd.

A Supplier is any person or entity which provides specific goods and/or services to a member of the Asahi Group in connection with the businesses it owns and operates.

The minimum compliance requirements and standards we require from our Suppliers of goods and/or services form the basis of the Asahi Group Global Supplier Code of Conduct (the 'Supplier Code of Conduct'). To enable accessibility for all of our global Suppliers, please refer to our website for versions of this Supplier Code of Conduct available in multiple languages.

We require our Suppliers to embrace, support, and enact these minimum expectations, and participate in ongoing monitoring of their own compliance with this Supplier Code of Conduct. Suppliers must have evidence of, and adhere to, appropriate policies, management systems, procedures, and staffing to meet the expectations of this Supplier Code of Conduct.

Asahi expects that its Suppliers communicate this Supplier Code of Conduct to their own suppliers. Asahi also expects its Suppliers to support their suppliers to meet the expectations outlined in this Supplier Code of Conduct.

We recognize there will be challenges for Suppliers to meet our expectations and local factors that will influence this may vary across our geographically diverse Suppliers. Our expectations are not limited to compliance with local law, and we are committed to working with our Suppliers on continuous improvement in their business practices to meet the standards set out in this Supplier Code of Conduct. However, subject to compliance with internal processes for the responsible exit of a Supplier relationship, Asahi reserves the right to discontinue relationships with Suppliers in circumstances where there is egregious or continued non-compliance with this Supplier Code of Conduct.

For further information on how we promote responsible business practices in our value chain, Suppliers can refer to the following Asahi policies and principles:

- <u>Asahi Group Human Rights Principles</u>
- Asahi Group Responsible Procurement Policy
- Asahi Group Responsible Procurement Supplier Guidelines
- <u>Asahi Speak Up Policy</u>
- Asahi Group Environmental Principles

If any person becomes aware of a breach of this Supplier Code of Conduct, either in its own organization or Asahi's supply chain, reports can be made to Asahi's Speak Up channel. This channel is independently operated by an external party and is available 24/7, 365 days a year, in various local languages of the countries/regions which we operate in. The Speak Up channel can be used anonymously and is intended to be confidential. Users may access the Speak Up channel through one of the following methods:

• Web browser form: asahigroup.ethicspoint.com



- Mobile form: asahigroupmobile.ethicspoint.com
- Free of charge telephone hotline in designated countries/regions (see Asahi Speak Up Policy Annex 1 for hotline numbers)

Further details on Asahi's Speak Up channel are set out in the Asahi Speak Up Policy.

## 2. Application and scope

This Global Supplier Code of Conduct applies to all Suppliers, their officers, employees, representatives, subsidiaries, agents, contractors, or upstream suppliers ("Associated Parties") providing goods or services to Asahi Group, its subsidiaries, or other companies it directly or indirectly owns or manages. Suppliers include any individual or corporate entity associated with Asahi Group, or who performs functions in relation to, or on behalf of, Asahi Group.

A copy of this Supplier Code of Conduct will be made available to all Suppliers. The Supplier must ensure that its Associated Parties and sub-contractors also comply with the principles set out in this Code. Suppliers are expected to have their own supplier code of conduct or similar policy that covers the equivalent principles set out within this Supplier Code of Conduct. The Supplier's policies should place comparable obligations on its own suppliers. Suppliers shall ensure that the expectations outlined within this Supplier Code of Conduct are communicated to their direct suppliers and be encouraged to pass on the expectations of this Supplier Code of Conduct throughout their supply chain.

The Supplier, upon entering a contract with Asahi, commits to complying with the Supplier Code of Conduct for the duration of that contract. This Supplier Code of Conduct defines the minimum standards that we have committed to and expect our Suppliers to adhere to, or conscientiously work towards in collaboration with us, whilst supplying goods and/or services to Asahi. It does not prevent us or our Suppliers from exceeding these standards. In addition to the Supplier Code of Conduct, Suppliers are expected to comply with national, international, and other applicable law within the Supplier's country of operation. Where the provision of law and this Supplier Code of Conduct address the same subject, Suppliers must apply the provision that affords the greater protection.

## 3. Business integrity

The Supplier must always act ethically and with integrity, in compliance with all relevant laws and regulations in relation to ethical conduct, corporate fraud, prohibited business practices, and antibribery and corruption, as well as with relevant social norms to the extent that these set a higher standard for conduct.

The Supplier must commit to the principles of lawful and free competition based on the merits of products and services, and not engage in activities that violate all relevant anti-trust, competition, and consumer protection laws applicable in all the Supplier's countries of operation.

The Supplier must also maintain full confidentiality of trade information, business processes and technology. There must be no infringement on the intellectual property rights of Asahi or third



parties. Business information (including, but not limited to, employee and technical information) must be thoroughly managed.

#### Anti-bribery, anti-corruption, gifts, and entertainment

The Supplier must not participate in any form of bribery or corruption, directly or indirectly through third parties. This means that you never give, receive, seek, engage in, offer, promise or authorize any bribes to anyone (not only government officials, but also private entities and individuals). Bribes means anything of value given or received in order to improperly influence the judgement or actions of others. It is important that the Supplier avoids actions that may give rise to an appearance or suspicion of bribery or corruption, such as the provision of gifts or entertainment that would breach local laws and regulations, or contravene commonly accepted social standards.

The Supplier must mitigate the risk of corruption by having in place an entertainment and gifts policy that is transparent and culturally appropriate. Gifts and entertainment provided or received in any way connected to Asahi should not be capable of influencing a person's duty or authority and should fall within commonly accepted business practice in each country or region.

#### **Conflicts of interest**

The Supplier should avoid situations where a conflict of interest may occur and must promptly disclose to Asahi any conflicts of interest that do arise. A conflict of interest occurs when a Supplier's personal or private interests interfere, or appear to interfere, with their ability to perform their duties in the best interest of Asahi. This can include situations where a Supplier could gain personal advantage, financial or otherwise, from their relationship with Asahi.

## 4. Human rights and labor standards

Asahi is committed to respecting internationally recognized human rights as set out in the:

- <u>International Bill of Human Rights</u> which consists of the <u>Universal Declaration of Human</u> <u>Rights (UDHR)</u>, <u>International Covenant on Economic</u>, <u>Social and Cultural Rights</u> (ICESCR) and the <u>International Covenant on Civil and Political Rights (ICCPR)</u>;
- <u>The United Nations (UN) Guiding Principles on Business and Human Rights;</u>
- <u>The International Labor Organization (ILO) Declaration on Fundamental Principles and</u> <u>Rights at Work;</u>
- The UN Global Compact;
- <u>The Children's Rights and Business Principles;</u>
- The Convention on the Elimination of All Forms of Discrimination against Women; and
- <u>The International Convention on the Protection of All Migrant Workers and Members of</u> <u>Their Families</u>.

Our Supplier Code of Conduct draws on relevant guidance from the:

- OECD Guidelines for Multinational Enterprises on Responsible Business Conduct,
- <u>The UN Women's Empowerment Principles;</u>
- The United Nations Convention on the Rights of the Child; and



#### Asahi Global Procurement

 <u>The ILO Tripartite Declaration of Principles concerning Multinational Enterprises and</u> <u>Social Policy</u>

We expect our Suppliers to embrace these international standards, respect the human rights of their workers and communities and promote human rights within their own value chain.

The requirements of the Supplier Code of Conduct are designed to cover employees, contract workers and any workers without a formal contract of employment.

### 4.1 Child labor

The Supplier must not use child labor and must also strictly prohibit the use of child labor in its supply chain. Child labor, as defined by the ILO, refers to work that deprives children of their childhood, their potential, and their dignity, and that is harmful to physical and mental development. It refers to work that:

- Is mentally, physically, socially, or morally dangerous and harmful to children; and/or
- Interferes with their schooling by depriving them of the opportunity to attend school; obliging them to leave school prematurely; or requiring them to attempt to combine school attendance with excessively long and heavy work.<sup>1</sup>

Subject to the qualifications below, the Supplier must not employ workers below at least 15 years of age, the applicable minimum legal age for employment, or the applicable age for completing compulsory education, whichever is highest.<sup>2</sup> Any worker under 18 must be exempted from work which by its nature or the circumstances in which it is carried out is likely to jeopardize the health, safety or morals of the young person.<sup>3</sup>

The Supplier must use adequate and verifiable mechanisms for age verification in recruitment procedures. If the Supplier identifies child labor in their own operations or supply chain, the Supplier must enroll the child/children into a remediation or education program, rather than dismissing them from employment.

If the Supplier identifies that young people are working in hazardous conditions in their own operations or supply chain, the Supplier must immediately remove the young person/people from those working conditions and provide alternative non-hazardous work.

Young people under 18 are entitled to work in certain defined and protected circumstances, such as traineeships and on family farms where their labor does not interfere with their attendance at school. This is acceptable as long as it is conducted in line with the requirements of the ILO conventions and applicable national law in the relevant jurisdictions, and adequate steps are taken to ensure that it does not interfere with the health, schooling or personal development of the young person.

<sup>&</sup>lt;sup>1</sup> International Labour Organization (ILO), 2016 'What is Child Labour'

<sup>&</sup>lt;sup>2</sup> As stipulated in the ILO Minimum Age Convention 1973 (No.138), Article 2

<sup>&</sup>lt;sup>3</sup> As stipulated in the ILO Minimum Age Convention 1973 (No.138), Article 3



#### 4.2 Forced and compulsory labor

The Supplier must prohibit and must not knowingly benefit from any form of modern slavery whether in the form of forced or compulsory labor, prison labor, indentured labor, bonded labor, slave labor, or any other non-voluntary labor. This expectation to not use or knowingly benefit from slavery extends to the Supplier's entire value chain.

The Supplier must not participate in the trafficking of people and prohibit trafficking throughout their supply chain. This includes directly or indirectly arranging or facilitating the travel of another person with a view to that person being exploited.

Workers must be free to leave their employment after reasonable notice, and be free to leave work and/or employee provided accommodation without restriction at the end of their daily shift.

The Supplier must not restrict workers' freedom of movement or retain workers' personal documents including, but not limited to, personal identification, travel documents and bank payment cards.

#### 4.3 Discrimination and harassment

The Supplier must prohibit discrimination, harassment, sexual harassment, bullying, vilification or victimization in the workplace, including any harsh or inhumane treatment of workers.

The Supplier must not discriminate against or commit any act that damages the dignity of any individual based on nationality, race, ethnicity, religion, ideology, gender, age, disability, gender identity, sexual orientation, political affiliation, union membership, caste, health, pregnancy or employment status, or any other protected characteristics as defined by national or regional laws and regulations.

#### 4.4 Safe and decent work conditions

The Supplier must ensure working environments are safe, healthy, and secure, and comply with all health and safety legislation and other relevant obligations while providing employees, contractors and visitors with information, training, and supervision to understand and uphold health and safety responsibilities. The Supplier should regularly identify and assess health and safety hazards and take action to eliminate or minimize risks.

The Supplier must provide workers with access to potable drinking water and adequate lighting, sanitation, and ventilation. Where appropriate, the Supplier must also provide workers with personal protective equipment.

#### Safe and decent accommodation

The Supplier must ensure workers are free to choose their own accommodation and ensure that workers are free to leave any accommodation provided. Accommodation provided to workers by the Supplier must meet local legal housing standards and, at minimum, be clean, safe and meet the basic needs of workers. This includes, but is not limited to, a separate bed for each worker, adherence to international guidelines on minimum room size per occupant, adequate cooking and sanitary facilities, adherence to fire safety standards, reasonable access to a telephone or other modes of communication and common recreational spaces where not otherwise available



#### Asahi Global Procurement

in the community.<sup>4</sup> The Supplier must prohibit rental practices that expose workers to excessive loan repayment programs that disadvantage workers by ensuring rental charges do not cost more than a reasonable portion of the worker's income.

#### Hazardous materials

The Supplier must identify hazardous materials and chemicals, and ensure their safe handling, movement, storage, recycling, reuse, and disposal in compliance with applicable laws and regulations.

#### 4.5 **Responsible recruitment**

In line with the ILO's *General principles and operational guidelines for fair recruitment*, Asahi's Suppliers must respect human rights when recruiting workers, including through human rights due diligence assessments of recruitment procedures, and should address adverse human rights impacts with which they are involved.

The supplier must:

- Not retain passports, contracts, or other identity documents of workers
- Respect workers' confidentiality and ensure protection of data pertaining to them
- Ensure that written contracts of employment are provided to the worker, and that the contract is transparent and understood by the worker
- Ensure that the conditions of work and living conditions into which workers are recruited are those that they have been promised
- Provide effective access to grievance mechanisms in cases of alleged abuses in the recruitment process, and to appropriate remedies
- Ensure that the right to freedom of association and collective bargaining of recruited workers is respected in the recruitment process
- Respect the freedom of migrant workers to leave or change employment or to return to their countries of origin.

Specifically, the Supplier must ensure that workers do not pay any recruitment fees or other similar fees and costs to obtain or retain their employment. This includes the prohibition of excessive loan repayment programs that disadvantage workers and may constitute debt bondage. If the Supplier identifies any instances of workers paying recruitment fees or other related fees or costs, the Supplier must ensure full reimbursement to workers, and promptly undertake all appropriate remedies and investigate whether any further workers were affected.

Where recruitment agencies or brokers are used by the Supplier, appropriate due diligence and ongoing management should be undertaken to ensure that deceptive recruitment practices are not used. This includes, but is not limited to, the prohibition of mandatory health examinations, pregnancy tests, and the imposition of debt bondage as conditions for employment. Suppliers

<sup>&</sup>lt;sup>4</sup> <u>European Bank for Reconstruction and Development (EBRD) and the International Finance</u> <u>Corporation (IFC) Workers' accommodation: processes and standards</u>, Part II, chapter i. Standards for workers' accommodation.



must adhere to the responsible recruitment practices, as set out in this Supplier Code of Conduct, that respect the dignity and rights of all individuals.

#### 4.6 Fair wages

The Supplier must provide employees with fair wages and benefits that, at minimum, comply with local minimum wage legislation and other applicable wage and working time laws, including applicable collective bargaining agreements. In countries where the legislated minimum wage is set below a level consistent with a decent standard of living or dignity for a worker and family, the Supplier should pay a living wage.<sup>5</sup>

Employment contracts must clearly state the terms of employment, and workers shall receive a copy of their terms and conditions of employment in a language they understand for their records that matches those the employer has on file. This includes information about their employment conditions before they enter employment and how wages are calculated per pay period. Remuneration, inclusive of wages and benefits, must be in adherence with all relevant legal requirements and any binding collective bargaining agreements. This includes adherence to regulations relating to overtime work and other premium pay arrangements.

The Supplier must not make any deductions from wages as a disciplinary measure, or any other deductions from wages that are not permitted by the national law without the expressed permission of the worker concerned.

The Supplier must pay workers directly, regularly, in full and on time in a recognized currency as stated in any worker agreements. Appropriate due diligence must be conducted by the Supplier to ensure these requirements are met when agency workers are used.

#### 4.7 Working hours

The Supplier must ensure that working hours comply with the international standards on working hours and all applicable laws and regulations related to working hours in the countries where they do business. Suppliers must also work to limit overtime to ensure workers have adequate rest periods.

The Supplier shall strive to meet international standards for working hours and rest periods, including:

- (i) Work weeks of no more than 48 regularly scheduled work hours and 12 voluntary paid overtime hours,
- (ii) Overtime hours compensated at a premium rate,
- (iii) Workers provided one day of rest every 7 days at a minimum, except in emergencies or unusual situations, and
- (iv) No working more than 21 consecutive days without a rest day.

If a Supplier's practices do not meet these international working and rest standards, the Supplier must remedy and improve its practices, and provide remediation to affected workers.

<sup>&</sup>lt;sup>5</sup> As defined in the International Covenant on Economic, Social and Cultural Rights, Article 7.



#### 4.8 Women's rights

The Supplier must strive to implement measures to eliminate discrimination against women through providing equal pay for equal work and provide equal opportunities throughout all levels of employment, in line with applicable laws and regulations.

The Supplier must strive to implement measures to eliminate health and safety concerns that are particularly prevalent among women workers, in line with applicable laws and regulations. These concerns include, but are not limited to, sexual harassment, physical security and protection and accommodation of pregnant and nursing workers.

## **4.9** Freedom of association and collective bargaining

The Supplier must allow freedom of association and the effective recognition of the right to collective bargaining in accordance with the applicable laws and regulations of the countries and regions of operations. Suppliers must respect the rights of their employees to choose whether to associate with a legally recognized labor union, without fear of intimidation, reprisal or external pressure.

Where the right to freedom of association and collective bargaining is restricted under national or regional laws in contravention of international human rights standards, the Supplier should honor these rights by establishing alternative means of dialogue with employees.

## 5. Rights to land and natural resources

The Supplier must be able to demonstrate legal or customary ownership or land use rights over all land owned, acquired, or controlled by the Supplier.

The Supplier must respect land ownership and natural resources as set out in The Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security and International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability.

The Supplier must respect the rights and title to property and land of individuals, Indigenous Peoples and local communities in all areas where the Supplier operates. All negotiations regarding property or land, including the changing use of and transfers of land, must adhere to the principles of free, prior and informed consent of affected local and Indigenous communities, contract transparency and disclosure. The Supplier must provide communities access to a grievance mechanism to resolve any disputes over land ownership or use.

The Supplier must conduct all business activities with consideration for the rights of affected Indigenous Peoples, with recognition for the uniqueness of Indigenous Peoples' rights, interests, and traditional relationships to land within and between different regions. The Supplier should respectfully acknowledge the past, present, and emerging traditional owners and custodians of the lands on which they operate, with respect for their culture and identity.

The Supplier must respect the right for all individuals to access water.



## 6. Human rights defenders

The Supplier must respect the rights of human rights defenders. Any form of abuse, threats, intimidation, or reprisal against human rights defenders are prohibited.

## 7. Environment

In line with the <u>Asahi Group Environmental Principles</u> and Asahi Group Environmental Vision 2050, our objectives include realizing sustainability across our value chain, including managing the environmental risk and impacts of our business practices.

You can find all of Asahi's Sustainability commitments on our website: <u>Sustainability | ASAHI</u> <u>GROUP HOLDINGS (asahigroup-holdings.com)</u>.

We require our Suppliers to embrace, support, and cooperate towards the goals and commitments set forth by Asahi Group under the company's targets in climate change, packaging, agricultural raw materials, and water resources.

## 7.1 Compliance with all applicable environmental laws and regulations

The Supplier must comply with all relevant environmental legislation and other relevant obligations for products or services in relation to environmental performance, management, and reporting.

The Supplier must also ensure policies, procedures, and relevant environmental management systems are in place to identify, control, and mitigate significant environmental impact, including ensuring all environmental permits and registrations are legally compliant at any time.

### 7.2 Reducing environmental impacts

The Supplier will work to provide all necessary and requested information related to environmental performance indicators and data at any point during the contractual relationship. This includes, but is not limited to, data related to climate, packaging, agricultural raw materials, water resources, deforestation, biodiversity, pollution, waste, and resource management.

For each of the areas outlined below, Suppliers must in a manner consistent with their individual circumstances and risk:

- Create a management system for regularly monitoring environmental activities.
- Encourage employees to proactively promote environmental activities and awareness.
- Engage and collaborate with our teams and stakeholders from our value chain, including from diverse backgrounds and local communities to create and drive environmental



#### Asahi Global Procurement

value based on innovation and generate synergies.

#### Agriculture

- Respect biodiversity and conduct their business activities with consideration to biodiversity.
- Avoid deforestation<sup>6</sup> during product manufacturing.
- Actively work on developing and/or using more resilient crop varieties.
- Use their best endeavors to transition towards regenerative agriculture practices.
- Use their best endeavors to implement proper land management practices.

#### Climate change

- Use their best endeavors to use scientifically accepted methodologies to calculate greenhouse (GHG) emissions, and to set clear and ambitious climate goals.
- Use their best endeavors to mitigate their direct and indirect emissions, with initiatives to decarbonize their direct and indirect operations, in line with our Net Zero goal set for 2040.
- Use their best endeavors to publicly report its decarbonization progress in a transparent manner, where they are required to do so.
- Engage in collaborative efforts with our teams and the teams of our value chain to work together for climate action.

Water

- Set targets and plans for water use, measure water use, and improve water use efficiency.
- Avoid negatively impacting access to safe water in line with the UN Sustainable Development Goals and the UN Global Compact's CEO Water Mandate.

#### Packaging/waste

- Strive to reduce waste, curb landfill disposal, and promote reducing, reusing, and recycling of packaging.
- Develop and promote technologies that reduce environmental impact.

### 8. **Responsible drinking**

The Supplier shall encourage and support responsible alcohol consumption among employees.

Suppliers should recognize that inappropriate alcohol consumption may cause issues such as drunken operation of a motor vehicle, underage drinking, drinking during pregnancy and breastfeeding, and binge drinking. Responsible alcohol consumption entails adhering to laws and local regulations, and consuming alcohol only in safe and appropriate circumstances, while also promoting moderate consumption from a health perspective. Furthermore, where alcohol consumption may potentially impact the quality, safety, or reliability of business operations, the

<sup>&</sup>lt;sup>6</sup> Loss of natural forest as a result of conversion to agriculture or other non-forest land use; conversion to a tree plantation; or severe and sustained degradation. (Natural forest refers to primary forests or forests that have regenerated after primary forests have been destroyed by logging, wildfires etc).



Supplier is required to promote and support employees in taking responsible actions and behaving appropriately.

## 9. Information management

The Supplier must comply with any and all applicable data privacy laws and to implement effective data security, process and handling and other controls in a rigorous manner. This information management is necessary to prevent any unauthorized disclosure or infringement of the Supplier's data.

## **10. Product quality and safety**

The Supplier shall prioritize the provision of products and services with utmost regard to product safety. In the event of accidents or defective products, the Supplier shall undertake measures including disclosure of information, contacting relevant authorities, product recalls, and implementing safety measures throughout supply chains.

## 11. Origin transparency

The Supplier must be able to disclose to Asahi the sources of primary origin (including the country of origin) associated with the materials supplied to Asahi.

Asahi may request suppliers of selected materials to map their supply chain back to origin to facilitate assessment of upstream supply chain compliance.

## **12.** Grievance mechanism and remediation

The Supplier must have a formal grievance mechanism in place that should be made available to all workers in its operations (including contractors and workers not covered by a formal contract of employment). The grievance mechanism must be accessible, easy to understand, legitimate and safe, equitable and rights-compatible, predictable, transparent, confidential, and improvement-based. The Supplier should outline in its policies that it expects their suppliers to have an established grievance mechanism in place. In instances where the Supplier's supplier does not have an established grievance mechanism, the Supplier must provide access to its formal grievance mechanism. The grievance mechanism shall define a timebound approach to investigation and contain clear escalation procedures and provide for remediation. Intimidation or retaliation against workers utilizing the grievance mechanism is prohibited.

If the Supplier identifies a substantiated grievance within its own operations or supply chain, the Supplier must promptly notify its relevant Asahi contact and the Supplier must cooperate with Asahi in undertaking remediation activities.



#### **12.1 Prohibition against retaliation**

Asahi prohibits Suppliers from retaliating against individuals or groups raising complaints or concerns about Supplier conduct. Retaliation includes, but is not limited to, physical, psychological, economic, or legal harm.

## 13. Sub-contracting

Asahi seeks to limit sub-contracting of the production of goods and/or services. Where reasonable, Asahi may require suppliers to obtain prior approval in writing for any sub-contracting or prohibit sub-contracting. While Asahi reserves the right to restrict or prohibit sub-contracting, such measures will be considered on a case-by-case basis.

Where sub-contracting is occurring subject to agreed-upon terms, the sub-contracted workplaces are expected to meet the Supplier Code of Conduct expectations. Further, the Supplier is required to make this Supplier Code of Conduct available to its sub-contractors and Asahi expects such sub-contractors to comply with the Supplier Code of Conduct.

## 14. Performance monitoring and compliance breaches

Suppliers must be able to demonstrate compliance with the Supplier Code of Conduct at the request and to the satisfaction of Asahi.

Asahi may utilize independent auditors to assess Supplier compliance with this Supplier Code of Conduct. These assessments may include conducting questionnaires, meetings with management, a tour of the facility, confidential interviews with workers on site and a review of documentation. When contracting with agents or traders, Asahi may also elect to have their manufacturing or farming Suppliers assessed for compliance.

The Supplier must provide all necessary and requested information for evaluation and assessment of potential modern slavery risks and comply with any request to verify compliance with this Supplier Code of Conduct with audits at any point during the contractual relationship. If advised by Asahi, it is recommended the Supplier registers with the Supplier Ethical Data Exchange (SEDEX), and completes, reviews, and submits any updates to their SEDEX questionnaire on a regular basis. Asahi may accept other third-party self-assessment questionnaires (SAQs) and other approved SAQ and audit schemes (refer to the Asahi Group Responsible Procurement - Supplier Guidelines). Asahi may also request Suppliers to have an ethical audit performed by an independent approved third party. The Supplier must ensure compliance with all relevant modern slavery laws in all countries of operation.

Acceptance of this Supplier Code of Conduct, or its own comparable code where that is in place, is a pre-requisite for becoming a supplier to, or renewing a supplier relationship with, any member of the Asahi Group. Through the signing of our contract terms and/or acceptance of our purchase order which cross refers to this code, the Supplier commits that its operations are subject to the provisions contained in this Supplier Code of Conduct.



All Suppliers and employees will comply with legislation, regulations, and other relevant obligations that apply to them, in the various capacities in which we operate as individual entities and as partners.

Should a Supplier at any time become aware that they are unable to comply with the Supplier Code of Conduct, the Supplier must promptly raise the non-compliance with its relevant Asahi contact. If you are ever in doubt about your obligations and responsibilities under this Supplier Code of Conduct, please seek advice from your primary contact at Asahi, or your supervisor.

If Asahi becomes aware that a Supplier is not in compliance with this Supplier Code of Conduct, Asahi may require corrective measures to be implemented within reasonable timeframes determined by Asahi (having regard to the nature and circumstances of the non-compliance). Depending on the nature of the non-compliance, Asahi may support the supplier in addressing the corrective actions to achieve compliance with this Supplier Code of Conduct.

Non-compliance with this Supplier Code of Conduct may result in termination or suspension of Asahi's arrangements with the Supplier.



15. Policy Review						
Owner:	Approver/Issued by:	Documentation Administrator:	Effective from:			
Tomas Veit - CEO Asahi Global Procurement (AGPRO CEO)	Asahi Group Holdings Group CFO/ AGPRO CEO	Morgan Cleland – Global Sustainability Lead (Responsible Procurement)	AUG-08-24			
Revision						
No.	Date:	Description:	Revised by:			
1.	AUG-08-26					