

Kobayashi Pharmaceutical Modern Slavery Statement

This statement is made in accordance with Section 54 of UK Modern Slavery Act 2015. We hereby make this statement to disclose the steps taken by Kobayashi Pharmaceutical Co., Ltd. (hereinafter, “Kobayashi” or “our company”) and its subsidiaries (collectively, the “Kobayashi Group”) in the fiscal year ended December 31, 2024, to ensure that slavery and human trafficking do not take place within the Kobayashi Group and its supply chain.

1. Organization, Businesses, and Supply Chain

Kobayashi is a company incorporated under the laws of Japan and its head office is located in Osaka, Japan. As of December 31, 2024, Kobayashi has 36 consolidated subsidiaries (14 in Japan and 22 overseas) and 3,615 employees on a consolidated basis.

In our domestic business, we manufacture and provide a variety of products to consumers, such as medicines, oral hygiene products, air fresheners/deodorants, nutritional supplements, skin care products, body warmers, and other daily household products in the four categories of healthcare, household products, body warmers, and direct marketing. In our international business, we provide our branded products in the U.S., China, Southeast Asia, and other countries. In the U.K., Kobayashi Healthcare Europe, Ltd. markets and distributes our branded products.

We procure raw materials and supplies from around the world and sell our branded products manufactured at our plants.

Please refer to the following URL for more information on our company and business.

<https://www.kobayashi.co.jp/business/domestic/>

<https://www.kobayashi.co.jp/business/international/>

2. Policies on Prevention of Slavery and Human Trafficking

- [Sustainability Fundamental Policy](#)

The Kobayashi Pharmaceutical Group has established a "Sustainability Fundamental Policy" that outlines its fundamental stance on sustainability. This policy expressly states that Kobayashi Group will strive “to contribute to the development of society in which no one is left behind” through our products and services, conducting sustainability-oriented management.

- [Kobayashi Pharmaceutical Group Human Rights Policy](#)

We have established the “Kobayashi Pharmaceutical Group Human Rights Policy” in accordance with the United Nations Guiding Principles on Business and Human Rights, as a corporate commitment to respecting human rights.

Under that policy, we are committed to making efforts to fulfill our responsibility to respect human rights in all of our business activities, including supporting and respecting international norms on human rights such as the International Bill of Human Rights, complying with applicable laws and regulations in the countries and regions where we conduct business activities and respecting internationally recognized human rights, promising not to infringe on human rights (prohibition of all discrimination as well as forced labor, human trafficking, and child labor, etc.), and conducting human rights due diligence and training to employees. With regard to respect for human rights in the supply chain, we have also expressed our expectation that our business partners, suppliers, and parties directly related to Kobayashi Group’s business, products, and services also respect human rights, avoid human rights abuses, and take action in respect of adverse human rights impacts with which they are involved. In November 2024, we revised this policy to reflect our initiatives and other efforts.

- [Kobayashi Group Basic Procurement Policy](#)

“The Kobayashi Group Basic Procurement Policy” expressly states that we are committed to complying with laws, regulations, and social norms, to striving to build cooperative and relationship of trust with our suppliers, and to enhancing respect for human rights and to fulfilling our corporate social responsibility (CSR) in partnership with our suppliers.

- [Kobayashi Pharmaceutical Group CSR Procurement Policy](#)

In November 2024, we established a new “CSR Procurement Policy” to promote responsible procurement activities with our business partners towards the realization of a sustainable society. This policy defines seven key areas: organizational governance, human rights and labor, environment, anti-corruption, partnerships, expectations for business partners, and social contribution. We aim to implement CSR procurement throughout the entire supply chain. Furthermore, we emphasize cooperative relationships with our business partners and expect to fulfill our social responsibilities together.

In addition to the above policy, we support the ten principles of the United Nations Global Compact, which consists of four areas: human rights, labor, environment, and anti-corruption.

3. Activities

- Human Rights Due Diligence

Based on our Human Rights Policy, we are conducting a series of activities to identify, prevent, and mitigate adverse human rights impacts associated with our business, track the

effectiveness of our responses, and account for and communicate how we have addressed such impacts.

We have identified human rights risks that could potentially have an adverse impact on our stakeholders (people who work for the Kobayashi Group, people in the supply chain, business partners, consumers, regional inhabitants, and all kinds of people) from information summarized by international organizations and relevant government ministries and agencies. Furthermore, we extracted human rights risks identified by other companies in the same industry and, after prioritizing business areas with unique human rights challenges, conducted dialogue with internal departments. For the identified issues, we will consider countermeasures and establish a cycle of tracking evaluations and information provision to advance our efforts.

With respect to procurement of raw materials, we consider “CSR procurement” to be our most important issue, fulfilling our corporate social responsibility (CSR) and taking into consideration the impact of our own business activities on the environment and society.

The Purchasing Department of Kobayashi annually holds a Procurement Policy Session for major suppliers in Japan to explain our company’s commitment to fulfilling its corporate social responsibility by promoting CSR procurement, including respect for our Human Rights Policy, in cooperation with suppliers. We also assess our major suppliers in Japan from the perspective of the ten principles of the four areas of the United Nations Global Compact, using EcoVadis, a global sustainability assessment organization, or our own questionnaire.

Based on the evaluation results, we classify our business partners into four categories: "excellent," "low risk," "medium risk," and "high risk." For business partners deemed to have risks, we provide feedback that includes corrective measures. In 2024, we implemented corrective support, such as CSR-related consultations with our business partners, and confirmed PDCA improvements through improved evaluation scores. Moving forward, we will continue to provide corrective support activities as needed and work collaboratively with our business partners to advance activities aimed at realizing sustainable procurement.

- Hotlines for Reporting/Consultation

Employee Hotline

The Kobayashi Group has established an Employee Hotlines a dedicated contact point for employees to report compliance-related matters, including human rights abuses, and to receive questions, concerns, and consultations.

Domestic: Two in-house consultation hotlines are available: one for compliance-related matters and the other for harassment-related matters. The service is available not only to full-time employees, but also to temporary employees, part-timers, retirees, and others seeking to report or consult on matters.

Overseas: Similar to Japan, a reporting hotline for compliance and other matters has been set up at all local subsidiaries, and the department in charge of internal reporting investigates and handles such matters.

Hotline for people outside Kobayashi Group

Kobayashi Group has the following two hotlines to receive reporting and consultation from outside the Kobayashi Group on human rights and compliance violations. At this stage, the reception is available on our Japanese domestic website (in Japanese language). However, we plan to expand the scope of this service in the future. Regarding the grievance mechanism for human rights issues, we will work to ensure that it meets the eight effectiveness criteria required by the United Nations Guiding Principles on Business and Human Rights.

- Human Rights Complaint Hotline

<https://hint2.kobayashi.co.jp/n/form/yvo/eLLPNEzcV3zy8Pepr-Tb->

- Compliance Reporting and Consultation Hotline (Internal Public Interest Reporting Hotline)

<https://hint2.kobayashi.co.jp/n/form/yvo/XYDPbYmk8FNk7v4WfcNES>

- Education and Training

All employees of the Kobayashi Group annually sign a “Officers and employees’ pledge”, which stipulates that they respect human rights and always take care to ensure that human rights violations such as slavery, human trafficking, and child labor are not committed.

At our company and domestic subsidiaries, we cover topics related to harassment and labor issues every year in the monthly compliance training sessions conducted for all employees. As part of regular awareness-raising efforts, we distribute periodic email newsletters on business and human rights topics from the sustainability department, and on harassment and related issues from the compliance department. In the future, we plan to enhance training programs for our employees outside of Japan.

In addition, the Purchasing Department of Kobayashi, we are promoting a deeper understanding of CSR procurement within the company by creating and managing attendance for introductory and ongoing education programs as 'CSR Procurement Education' for its members. In connection with this, our company participates in the United Nations Global Compact Network Japan's 'Supply Chain Subcommittee' for CSR procurement.

To advance this initiative, in 2024, one member from the Sustainability Department and one from the Purchasing Department participated in the Japanese version of the Business and Human Rights Accelerator, a program developed and supervised by the United Nations Global Compact (organized by the Global Compact Network Japan). This participation aimed

to deepen our understanding of how companies can comprehend and address their impact on human rights. We are applying these learnings to further promote our future initiatives.

This statement was approved by the Sustainability Committee of Kobayashi Pharmaceutical Co., Ltd. supervised by the Board of Directors on April 22, 2025.

April 22, 2025

A handwritten signature in black ink, reading "N. Toyoda". The signature is fluid and cursive, with the first letter "N" being large and stylized, and the last name "Toyoda" written in a continuous, flowing script.

Norikazu Toyoda

President & CEO

Kobayashi Pharmaceutical Co., Ltd