



KDC/ONE RESPONSIBLE PARTNER POLICY

This kdc/one Responsible Partner Policy complements and must be read in conjunction with the kdc/one Supplier Code of Conduct.

Our Commitment

Knowlton Development Corporation, Inc. and its subsidiaries ("kdc/one", "we" or "our") are committed to bring positive social and environmental impact and ensuring that sound practices are in place to manage Environmental, Social, and Governance ("ESG") responsibilities. kdc/one recognizes that, the social, ethical, and environmental footprint of its products and services cannot be dissociated from the business practices of its partners. Serving millions of consumers across the globe, it is essential to manufacture, transport and distribute products in a sustainable and responsible way, and sharing the same commitment to sustainability, improving ESG performance.

This is why, all kdc/one business partners, suppliers, vendors, service providers, independent contractors, consultants, and subcontractors (each, a "Partner," and collectively, "Partners") are requested to share the same principles, implement them in their business activities and promote these standards throughout their own value chain.

Scope

Our Responsible Partner Policy applies to the entire kdc/one network, including both domestic and foreign legal entities. It covers all Business Partners we work with, including

- all 'Tier 1' suppliers - who invoice kdc/one for goods or services
- companies in any tier that do the work that kdc/one contracts from Tier 1 supplier
- any supplier beyond Tier 1 who has a contract with kdc/one, or whom kdc/one has expressly appointed to provide goods or services to the Tier1 supplier, even where they do not directly invoice kdc/one
- companies distributing and/or selling on behalf of kdc/one, including agents, distributors and importers
- Business Partners that kdc/one directly contracts with to bring our products to consumers, inclusive of retailers and digital commerce sellers
- charities, NGOs and social enterprises who receive funding or product donations from kdc/one.

Mandatory Requirements

The following is a set of Mandatory Requirements which all kdc/one Business Partners must meet to do business with kdc/one. kdc/one encourages the continuous improvement and is committed to contribute fostering global responsible business ambitions and behaviors.



Business Ethics & Integrity

- Ensuring *legal compliance and integrity* in all business activities;
- *Preventing bribery & corruption* in all forms, included gift and gratuities management;
- Ensuring employees', customers' and partners' data privacy;
- Ensuring no conflict of interests or undue influences;
- Reporting on breaches, ensuring Whistleblower policies are in place;
- Implementing transparency & traceability at all levels, including in the supply chains;
- Promoting conflict-free supply chains (e.g., conflict minerals);
- Monitoring and addressing ESG risks;
- Ensuring products and materials supplied to kdc/one are appropriately and responsibly sourced and tested and meet agreed specifications.

For further details, see kdc/one Suppliers Code of Business Conduct.

Labour & Human Rights

- Conducting work on a voluntary basis, fighting any form of forced labor;
- Respecting human rights, promoting equal opportunities and rights, against any type of discrimination;
- Ensuring fair wages are paid to all workers and implementing compensation and benefits policies;
- Address living wages and living income gaps within the value chain and develop strategies to improve livelihood;
- Employing only workers with appropriate age, fighting any form of child labor;
- Ensuring working hours for all workers are reasonable;
- Supporting freedom of association and collective bargaining in accordance with local laws;
- Protecting workers' health and safety, managing EHS risk assessment, implementing a robust EHS management system and occupational EHS program, ensuring plant & process safety;
- Adopting fair procedures and remedies for all workers, without coercion, harassment or retaliation;
- Protecting the wellbeing and the land rights of communities, including indigenous peoples;
- Assessing both actual and potential adverse human rights impacts and adopting due diligence measures to mitigate the risks.

For further details, see kdc/one Human Rights Policy.

Environmental Protection

- Fostering business sustainability, implementing concrete actions to reduce environmental impact;
- Calculate, monitor and reduce Environmental Footprint (carbon, waste, energy, water);
- Support global sustainability goals achievement;
- Preventing banned or restricted product content;



- Ensuring Environmental Permits maintenance and Reporting;
- Managing Hazardous Materials Appropriately and working to reduce their usage;
- Promoting natural raw materials responsible sourcing;
- Combating deforestation and forest degradation;
- Protecting biodiversity and ecological processes;
- Prohibiting animal testing unless specifically required by law, in favor of alternative testing methods.

For further details, on kdc/one responsible business commitment, see kdc/one ESG Report and kdc/one sustainability reports.

Actions

As kdc/one Business Partner you are expected to:

- Comply with kdc/one Supplier Code of Business Conduct and with all applicable laws and regulations, and in the absence of those laws, with international standards;
- Read this kdc/one's Responsible Partner Policy and all documents referred herein;
- Carry out an assessment of your business practices to ensure you meet the requirements set out in these documents;
- Work to implement the recommended practices outlined here and in related supporting documents, demonstrating continuous improvement;
- Implement appropriate due diligence processes given your size and risk profile, and demonstrate risk-based action;
- If requested by kdc/one, participate to self-assessment questionnaire (e.g., through the Ecovadis platform) and implement any corrective actions required;
- Be available to undertake an external audit upon kdc/one's request;
- Provide information related to ESG performance upon kdc/one's request, in the forms and timings to be agreed with kdc/one (see Schedule A on the last page for examples);
- Communicate these principles throughout your supply chain and partners, monitoring compliance and encouraging continuous improvement.

References

- International Labour Organization – www.ilo.org
- UN Global Compact – www.unglobalcompact.org
- Global Social Compliance Programme – www.gscpnet.com
- UN Environmental Program – www.unep.org
- World Resources Institute – www.wri.org
- Ethical Trade Initiative – www.ethicaltrade.org

Schedule A

Examples of information to be provided upon kdc/one's request:

- ESG Goals and target setting and voluntary ESG corporate reporting;
- Sustainability reporting programs or reporting as part of regulatory compliance;
- Life Cycle Assessment Study or certifications supporting ingredients, components, products, processes improved sustainability profile (e.g., Cradle to Cradle,...);
- Due diligence process and risk assessment plans to identify high-risk areas for environment, health and safety and related action plans;
- Workers training on health and safety procedures;
- Verifiable worker health and safety plan;
- Health and safety performance monitoring system in place;
- Audits in the last three years on worker health and safety issues;
- Injury and illness rate included at company-owned or contract manufacturing facilities that produce final product;
- Report on progress towards achieving living wages, living income and gender pay gap targets;
- Raw Materials, ingredients or components Sustainably Sourced Certifications (e.g., FSC, RSPO);
- Greenhouse gas emissions according with GHG Protocol;
- Energy and Water usage data;
- Waste data;
- Chemical footprint / Chemical Stewardship for the goods supplied;
- Engagement in any programs to reduce the use of chemicals on the stewardship list;
- Authoritative and science-based human health risk assessment methodologies to screen ingredients, raw materials, components and final products;
- Participation in ongoing research to advance the science of product safety and risk assessment;
- Evidences on how adequate microbiological protection of product is ensured;
- Systems in place for post-market safety surveillance.