

KIOXIA Group Procurement Policy

KIOXIA Group Basic Policy

- (1) We shall comply with all relevant laws, regulations, social norms, and other such requirements.
- (2) We shall provide fair business opportunities to our suppliers (including prospective suppliers; the same shall apply hereinafter).
- (3) We shall engage in procurement activities that fulfill our corporate social responsibilities.
- (4) We shall carry out procurement activities based on mutual understanding and trust.
- (5) We shall conduct procurement activities with due consideration given to appropriate quality and cost reduction.
- (6) We shall work to build a stable production and supply system and shall manage business continuity in the event of emergencies.

Supplier Selection Policy

KIOXIA Group selects and conducts procurement activities with suppliers who can comply with the provisions set forth in our “Requests to Suppliers.”

Requests to Suppliers

We ask that suppliers comply with the following requests and relevant regulations set forth as follows:

(1) Compliance with laws, regulations, and social norms

We ask that all suppliers conduct their business in compliance with the laws, regulations, social norms, and other such requirements of the countries and regions in which they operate. This includes:

- Compliance with and thorough enforcement of relevant laws and regulations in each country and region (antitrust laws, commercial laws, subcontract laws, foreign exchange laws, personal information protection laws, copyright laws, environmental protection laws, etc.)
- Prohibition of all forms of bribery (illegal gifts, payments, considerations, and monetary and non-monetary benefits) to interested parties
- Prohibition of transactions with antisocial forces

(2) Consideration for human rights and occupational health and safety

We ask that suppliers respect basic human rights and endeavor to create safe and clean work and living environments in the countries and regions where they operate. In addition, we ask that suppliers comply with the labor standards and other local laws and regulations of each country and region, and manage human rights in accordance with the “KIOXIA Group Supply Chain Code of Conduct”.* These include:

- Prohibition of all forms of slave labor, forced labor, human trafficking, child labor, and inhumane treatment
- Prohibition of all forms of discrimination and harassment
- Payment of wages that exceed the minimum wage set forth by laws and regulations in each country and region

- Management of working hours to standards that meet or exceed the minimum specified in the relevant laws and regulations of each country and region as well as those specified in the “KIOXIA Group Supply Chain Code of Conduct”
- Guarantee of employees’ right to organize (freedom of association, right to collective bargaining, etc.)
- Establishment of an occupational health and safety management system compliant with ISO 45001 and initiatives to acquire external certification
- Realization of safe and clean work environments and provision of suitable living environments for workers

(3) Responsible procurement of minerals

We ask suppliers to conduct supply chain surveys and perform due diligence on the refineries of the minerals used in products supplied to us when delivering direct materials and certain indirect materials that contain specific metals.

We additionally ask that suppliers cooperate in implementing mineral procurement in accordance with the “KIOXIA Group Responsible Mineral Procurement Policy” and in reducing the risk of human rights abuses in conflict zones and other high-risk areas.

(4) Environmental considerations

We ask that suppliers take measures to reduce the impact of their business activities on the environment.

These include:

- Establishment of an environmental management system, including acquisition of ISO 14001 external certification
- Formulation and implementation of short- and long-term goals for reducing energy consumption and greenhouse gas emissions
- Initiatives for conserving resources (reduce, reuse, and recycle)
- Identification of water risks and protection of water resources
- Protection of forests
- Preservation of biodiversity
- Disclosure and communication of appropriate information
- Training and education of employees

(5) Management of chemical substances contained in delivered products

We ask that suppliers comply with the standards set forth in the “KIOXIA Group Green Procurement Guidelines” regarding chemical substances contained in products delivered to us. We ask that they additionally implement appropriate quality measures in accordance with the relevant guidelines. These include:

- The use of raw materials, components, and other materials used indirectly in our manufacturing processes, which have a low environmental impact, and minimal use of hazardous chemical substances
- Responding to various surveys we conduct, including information on chemical substance content

(6) Sustaining sound business management

To carry out sustainable business dealings, it is important to maintain sound business management practices. Therefore, we ask that all suppliers disclose their management policies and business conditions (including financial conditions).

(7) Ensuring superior quality

To maintain and improve the quality of products provided to our customers, we ask that suppliers make efforts to develop a quality assurance system in accordance with ISO 9001 and acquire external certification in cooperation with us, in addition to observing the following:

- Compliance with safety standards and other requirements of each country and region (JIS, electrical safety laws, UL, CE, CCC, etc.)
- Continuous provision of materials and services that meet the specifications and quality required by us

(8) Provision at reasonable prices

To provide products that satisfy our customers in terms of cost, we ask that suppliers consistently provide materials and services at market-competitive prices and make continuous efforts to reduce prices.

(9) Ensuring reliable delivery schedules and establishing stable supply systems

To ensure the continuous supply of products to our customers and to respond to requests for sudden changes due to supply and demand, we ask that suppliers ensure reliable delivery schedules and create stable and flexible supply systems for materials and services.

(10) Improvement of technical capabilities

We ask that suppliers continuously improve their technical capabilities in order to provide safe and superior products that meet the needs of our customers.

(11) Cooperation in business continuity management

We ask that suppliers share information regarding their supply chains, including their suppliers, in order to be prepared for unexpected disasters and other incidents. In the event of an incident, we ask that suppliers share information with us and take measures to ensure the continued supply of products. We also ask for their cooperation in maintaining supply in the event of natural disasters, epidemics, fires, power outages, riots, terrorism, wars, civil unrest, cyber-attacks, etc.

(12) Security measures

To ensure the trust and protect the value of our customers and stakeholders, we ask that suppliers ensure and continuously improve information security and product security.

(13) Cooperation with surveys and audits

We ask that suppliers cooperate with all surveys, audits, and assessments we request.

Standards & other requirements and procurement activities to be observed

Details of procurement activities	Standard name
All procurement activities	“KIOXIA Group Supply Chain Code of Conduct”*
Direct materials and certain indirect materials that contain specific metals	“KIOXIA Group Responsible Mineral Procurement Policy”
All procurement activities excluding services	“KIOXIA Group Green Procurement Guidelines”

*To fulfill social responsibilities and in response to requests from our stakeholders, KIOXIA Group is a participating member of the Responsible Business Alliance (RBA) and is promoting supply chain management based on appropriate international standards. We ask that suppliers promote business activities in line with the “KIOXIA Group Supply Chain Code of Conduct” and also promote business activities in line with the “KIOXIA Group Supply Chain Code of Conduct” in their supply chains.