

AIN Group Human Rights Policy

Committed to common sense and ethics, the AIN Group (the Group), continues to bring vitality and happiness to its customers through its contribution to health and beauty. In order to realize these goals, we firmly understand that respecting the human rights of all people affected by our business activities is essential as the foundation of our corporate activities, and hereby establish the “AIN Group Human Rights Policy.”

This “AIN Group Human Rights Policy” (the Policy) sets forth the Group’s position on respecting human rights throughout its value chain.

This Policy applies to all officers and employees*¹ of the AIN Group*². Each is a subject whose human rights are to be respected, and is in turn expected to act in line with this Policy.

*1: Employees include short-term, contract, part-time, and temporary employees of the Group.

*2: “AIN Group” refers to AIN HOLDINGS INC. and its consolidated subsidiaries.

We also expect our business partners, including our suppliers, to support and practice the principles expressed in this Policy, and aim to work collaboratively to promote respect for human rights.

1. Respect for International Human Rights Norms

The AIN Group understands that it has a responsibility to respect human rights throughout its value chain. We respect the human rights stipulated in the International Bill of Human Rights*³ and the International Labour Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work*⁴ and understand them to be the minimum standard to be observed. We will also support international human rights norms, such as the Guiding Principles on Business and Human Rights*⁵, the 10 principles of the United Nations Global Compact*⁶, and ISO 26000*⁷, and implement efforts based on these principles.

*3: The International Bill of Human Rights is the term applied to the set of three documents: the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights.

*4: The ILO’s Declaration on Fundamental Principles and Rights at Work sets forth four areas as the minimum standard to be observed in relation to labor: “freedom of association and the effective recognition of the right to collective bargaining,” “the elimination of forced or compulsory labour,” “the abolition of child labour,” and “the elimination of discrimination in respect of employment and occupation.

*5: The Guiding Principles on Business and Human Rights were approved by the UN Human Rights Council in 2011 and set forth the responsibilities and actions required of business enterprises to respect human rights and provide access to remedy in the context of Business and Human Rights.

*6: The United Nations Global Compact sets forth a code of conduct required of companies and organizations with a goal to achieve sustainable growth. It includes ten principles in four pillars: human rights, labour, environment, and anti-corruption.

*7: ISO 26000 is an international standard issued by the International Organization for Standardization (ISO) regarding the social responsibility of organizations, including businesses. There are seven principles with corresponding guidelines for each in the standard: 1) accountability, 2) transparency, 3) ethical behaviour, 4) respect for stakeholder interests, 5) respect for the rule of law, 6) respect for international norms of behaviour, and 7) respect for human rights.

The AIN Group complies with the laws and regulations applicable in the countries and regions in which it operates. In cases where there is a conflict between the laws and regulations of the country or region in which we operate and internationally recognized human rights, we will seek ways to honor the international human rights principles to the fullest extent.

2. Governance

The Board of Directors of AIN HOLDINGS INC. is responsible for overseeing human rights efforts and receives regular reports from the group-wide Sustainability Committee on the status of compliance with this policy. The Sustainability Committee is responsible for formulating policies and measures, establishing and maintaining systems for implementation, and monitoring key indicators related to our human rights efforts.

3. Human Rights Due Diligence

The AIN Group conducts due diligence to identify, assess, prevent, and mitigate negative human rights impacts related to its business activities.

Where we identify that our business activities are causing or contributing to adverse human rights impacts, we will take appropriate measures to correct and remedy the situation. In cases where we are directly linked to adverse human rights impacts through our business relationships, we strive to play a role in correcting the situation by drawing on knowledge and expertise from within and outside the Group, and by working with relevant stakeholders.

4. Stakeholder Engagement

The AIN Group recognizes the importance of understanding human rights issues from the perspectives of stakeholders whose human rights have been or maybe impacted. We further recognize that there are vulnerable groups which require special consideration. Therefore, we continue to engage in constructive dialogue with relevant stakeholders to understand, improve and address human rights issues.

5. Grievance Mechanisms

The AIN Group has established an internal hotline (Compliance Hotline) to which all employees can report and consult on matters of concern regarding human rights. In accordance with our internal rules regarding the protection of the rights of whistle-blowers, we prohibit any disadvantageous treatment towards them and ensure the confidentiality of their reports. We investigate and respond to human rights concerns and take appropriate corrective and remedial measures when violations are found.

In order to identify and respond to human rights concerns of stakeholders in a timely manner, we work to establish an effective reporting and grievance mechanism.

6. Training and Awareness-raising

The AIN Group provides all officers and employees with the training and capacity building necessary to put this Policy into practice.

7. Reporting and Disclosure

The AIN Group will continuously monitor its efforts based on this Policy and make improvements as necessary to ensure its effectiveness. In addition, we will regularly disclose the progress of our efforts both internally and externally to ensure transparency and accountability.

8. Commitment to Human Rights Issues

Prohibition of forced labor and human trafficking

We do not permit forced labor. We also do not tolerate modern slavery in any form, including bonded labor and human trafficking.

Prohibition of child labor

We prohibit child labor and observe the statutory minimum working age.

Prohibition of discrimination

We do not tolerate behavior that undermines the dignity of an individual or any form of discrimination based on gender, age, nationality, race, belief, religion, social status, social origin, disability, sexual orientation or gender identity.

Prohibition of inhumane treatment

We do not tolerate any form of inhumane treatment including harassment such as sexual harassment, power harassment, or harassment related to pregnancy, childbirth, or childcare leave.

Respect for freedom of association and the right to collective bargaining

We engage in constructive dialogue between labor and management and respect the freedom of association and the right to collective bargaining.

Ensuring a healthy and safe work environment

In accordance with the laws and regulations applicable in the countries and regions in which we operate, we aim to create a safe workplace where each employee can thrive in good physical and mental health.

Working hours and wages

We duly manage employees' working hours, holidays, leaves, and wages in accordance with the laws and regulations applicable in the countries and regions where we conduct business activities. We prohibit unfair deductions from wages and aim to achieve payment of wages that exceed the minimum wage. In addition, we commit to prevent excessively long working hours, ensure appropriate breaks and vacations, and promote flexible working arrangements.

Diversity and inclusion

We promote diversity and inclusion through ensuring equal opportunity and supporting diverse work styles in order to create a work environment where each employee can realize their potential and work comfortably according to their lifestyle.

Personal information and privacy

We recognize the importance of respecting and protecting the privacy and personal information of its customers, patients, and other internal and external stakeholders. In handling personal information, including medical data, we comply with relevant laws, regulations, and internal rules, and manage it appropriately.

Ethical/responsible marketing

We conduct ethical and responsible advertising and marketing of all products and services. We strive to present our products and services in a manner that is appropriate, easy to understand, and not misleading to customers and patients. We also commit to ensure that our claims are always backed by sufficient scientific evidence, comply with the laws and regulations of each country, and make efforts to provide labels that are easy for customers and patients to understand. In addition, we will not use expressions that discriminate or encourage discrimination against customers or patients.

Ensuring product quality and safety

Our operations aim to provide safety, peace of mind, and trust along with our products to our customers and patients. We will further enhance quality and safety by continuously improving our quality, safety, and management systems.

Respect for women's rights

As a company supported by many female customers and employees, we respect women's rights and prohibit discrimination, harassment, intimidation, and violence against women. In addition, we provide a working environment and development opportunities which allow female employees to continue to work and thrive confidently.

This Policy was approved by the Board of Directors of AIN HOLDINGS INC.

December 1, 2021

President and Representative Director, AIN HOLDINGS INC.

