

KCI ESG Procurement Policy



ESG Procurement Policy

1. Purpose

To fulfill its corporate social responsibility, KCI (hereinafter the “Company”) adheres to environmental regulations and pursues ESG procurement that considers environmental elements and sustainability from the early stages of procurement.

The Company should prioritize vendors that highlight human rights of its employees, protect the environment and implement sustainable business practices in making its procurement.

By continuing its ESG procurement, KCI endeavors to fulfill its corporate social responsibility as a sustainable business.

2. ESG Procurement Policy

KCI adheres to the following policy to execute its ESG Procurement Policy (hereinafter the “Policy”)

(1) Respect for Human Rights

KCI ESG Policy, in principle, stipulates to procure supplies from vendors adhering to international labor standards and regulations and such as the Fundamental Conventions of the International Labor Organization (ILO) and human rights principles such as the Universal Declaration of Human Rights of the United Nations (UN.) The Company reviews termination or change of contract with vendors engaging in unethical practices such as forced labor, child labor and/or discrimination against race or gender.

(2) Environmental Protection

The Company strives for partnership with vendors that make efforts to minimize potential negative environmental impact and protect the environment by participating Carbon Disclosure Project (CDP) that measures and monitors carbon emissions and/or obtaining certificates from Roundtable on Sustainable Palm Oil (RSPO) or Forest Stewardship Council (FSC), etc. to protect the forest.

(3) Supply of sustainable raw material

The Company endeavors to build a supply chain that can trace sustainable raw materials and monitors environmental and/or social issues arising from the supply chain for sustainable raw material supply. In addition, the Company can provide incentives for suppliers that carry out sustainable business activities such as receiving EcoVadis ratings, joining UN Global Compact (UNGC) and obtaining ISO 14001·45000·37001 Certificates.

3. Addendum

(1) The KCI ESG Procurement Policy was established and took into effect as of May 11, 2023.

[Appendix. Summary of Document]

Category	Description
Initial Draft Date	May 11, 2023
Latest Revision Date	May 11, 2023
Owner	Procurement Team, KCI
Approver	ESG Committee, KCI Board of Directors
Draft/Revision Description	Establishment of ESG Procurement Policy
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