

## **Yakult Group Anti-Corruption Policy**

The Yakult Group operates its business under the corporate philosophy of “We contribute to the health and happiness of people around the world through pursuit of excellence in life science in general and our research and experience in microorganisms in particular.” It is extremely important to promote sound organizational operations and fair business practices in order to permanently realize this corporate philosophy throughout the group.

To this end, the Yakult Group observes the Yakult Group Anti-Corruption Policy (hereinafter referred to as the “Policy”), the basic policy stipulated based on the Yakult Ethical Principles and Code of Conduct, the group’s compliance rules, and related internal regulations on the premise of compliance with laws, regulations, and guidelines regarding the prevention of corruption in the countries and regions where it conducts its business activities (hereinafter referred to as the “Related Laws and Regulations”).

### **1. Purpose**

The Policy is aimed at preventing corruption throughout the group by stipulating matters all employees of the Yakult Group must comply with in the course of business.

### **2. Prohibition of corrupt practices**

Yakult Group employees\*<sup>1</sup> shall not engage in corruption\*<sup>2</sup> (including but not limited to bribery,\*<sup>3</sup> fraud, embezzlement, extortion, and bid-rigging) or any acts which are prohibited by the Related Laws and Regulations with respect to any counterpart with the purpose of directly or indirectly gaining illegal business profits\*<sup>4</sup> in Japan or abroad.

Further, Yakult Group employees shall not engage in gift-giving or entertainment that deviates from social norms even if it is within the scope that does not infringe Related Laws and Regulations.

### **3. Record management**

Each company of the Yakult Group shall accurately record all of their transactions in accounting ledgers based on facts and store them appropriately.

#### 4. Establishment of corruption prevention mechanism

Each company of the Yakult Group shall establish a mechanism necessary for preventing corruption through activities such as the provision of training, distribution of education materials, and conducting questionnaire surveys for its employees to ensure dissemination of the Policy.

Yakult Group employees shall swiftly report to and consult with the compliance contact of each group company if he or she identifies a matter that violates or may violate the Policy.

An employee of a company which has a whistleblower system may use said system to report matters that violate the Policy.

The companies of the Yakult Group shall not engage in disadvantageous treatment regarding an employee who reported a matter that violates or may violate the Policy for reporting the matter. Regarding the operation of a whistleblower system, the employee may make a report anonymously, and the system protects the whistleblower by establishing contacts for whistleblowing in and outside the company and stipulating the confidentiality of reported information and the prohibition of disadvantageous treatment of whistleblowers.

#### 5. Response to violation

If an employee engages in an act that violates the Policy, the Yakult Group company shall take strict disciplinary actions against the person in accordance with working regulations and other rules.

Established: March 30, 2021

\*1 **Yakult Group employees:** Employees in this Policy denotes all, both executives and employees (full-time employees, contract employees, fixed-term employees, temporary staff, and part-timers) who are employed by the Yakult Group.

\*2 **Corruption:** Corruption is defined as the abuse of entrusted power for private gains and includes bribery, fraud, embezzlement, extortion, bid-rigging, insider trading, money laundering, abuse of authority, obstruction of justice, etc.

\*3 **Bribery:** Bribery is defined as offering or receiving gifts, loans, gratuity, rewards, or other profits to or from a person as an incentive for bringing about acts that are unfair, illegal, or in breach of trust in the process of conducting business.

\*4 **Illegal business profits:** The purpose of gaining illegal business profits denotes seeking the contents described below, which cannot be achieved through regular business execution. Note that “business” in the Policy is not limited to sales and sales promotion activities but widely denotes a company’s business activities in general.

- Preferential treatment such as an arrangement that is more advantageous than other companies
- Placing orders with one’s company
- Offering of administrative information that is usually not accessible such as terms and conditions of tenders and bidding and distribution of subsidies
- Disturbing other companies’ business or acts to denigrate other companies such as postponing or cancelling orders to other companies