

KMC Human Rights Policy

1. Our approach to human rights policy

- We have worked with people in more than 70 countries around the world to support communities in achieving balanced economic and social development and happiness for local residents through “regional, human resource, and institutional development in developing countries.”
- KMC aims to assist all people in the community, including those who are socially vulnerable, in reaching their full potential. Through our work, we not only protect the human rights of our beneficiaries and stakeholders but also help them build their own capacities to protect their rights. We will never fail to engage in dialogue with our clients, business partners, and our management and employees, and by working with them to pursue KMC’s values of “Quality and Dignity, Harmony, and Challenge,” we aim to achieve its mission “to create a society in which the community develops economically and socially in a balanced manner and the local residents feel happy.”
- However, we recognize that, while conducting our operations, we may have both positive and negative impacts—directly or indirectly—on the human rights of the people involved (hereinafter referred to as “human rights risk”).
- Therefore, to respect the human rights of all people involved in our business, we hereby establish the “KMC Human Rights Policy (hereinafter referred to as “the policy”)” and promote our efforts to respect human rights.
- We will use the United Nations Guiding Principles on Business and Human Rights (UNGPs) as a framework for policy implementation and strive to conduct human rights due diligence (hereinafter referred to as “human rights DD”), assess and address negative impacts on human rights, and ensure access to remedies for victims of human rights violations.
- In addition, we will actively support the protection of the human rights of vulnerable groups in society to fulfill our mission.

2. Applicable laws and regulations

We comply with the applicable laws and regulations of each country or region in which we operate. Where a conflict arises between internationally recognized standards for human rights compliance and national laws and regulations, we will respect internationally recognized human rights principles as much as possible.

3. Scope of application

This policy applies to all management and employees of the company. We also require all clients and

business partners (service providers, counterparts,¹ and partner organizations) involved in our operations to understand and comply with this policy. Especially in developing countries, where there are higher and frequent risks of human rights violations, we will first promote initiatives related to our human rights policy, focusing on our operations as a first step.

4. Implementation and promotion structure

A “Business and Human Rights” team, headed by the president, has been established as a secretariat to promote this policy.

5. Human rights due diligence and remedy

We work as follows:

- Identify areas of high human rights risk in our operations.
- Create and implement an action list for the early detection and prevention of human rights risks.
- Assess and monitor human rights risks annually using the above list.
- Set up indicators to visualize our activities to respect human rights.
- Conduct awareness activities for management and employees, such as workshops and internal newsletters.
- Present this policy to clients and business partners (service providers, counterparts, and partner organizations) and seek their understanding and cooperation. Specifically, ensure that human rights clauses are added to contracts and/or other agreed upon documents.
- Set up a “Business and Human Rights team” and provide consultation to management and employees at KMC on human rights issues.
- Work to remedy situations in which human rights risks occur through dialogue and necessary procedures.

6. Information disclosure

We disclose the details of our activities and progress in respecting human rights on our website.

7. Dialogue and consultation with stakeholders

Based on the understanding that most issues related to human rights are caused by a lack of dialogue between the parties concerned, we strive for close dialogue and mutual understanding with our stakeholders.

¹ In Official Development Assistance (ODA) projects, the government officials and technicians of the partner country to whom technology is transferred are generally called counterparts.

8. Key themes of human rights

We focus on the following three areas to reduce the negative impact of our operations on human rights and promote a society in which our management and employees, clients, business partners (service providers, counterparts, and partner organizations), and beneficiaries can realize their full potential.

- **Prevention of unfair labor practices, including harassment**

We prevent all forms of harassment and correct unfair labor practices among our management and employees, local staff employed in other countries, beneficiaries, and business partners (service providers, counterparts, and partner organizations).

- **Prevention of discrimination and respect for diversity**

We respect the human rights and personality of individuals and prevent discrimination of any kind based on race, religion, gender, sexual orientation, age, nationality, language, physical ability, and other diverse backgrounds. Through our operations, we also work toward the inclusion of socially vulnerable groups and respect for diversity.

- **Further support for people's potential and freedom**

Through the pursuit of our mission “to create a society in which the community develops economically and socially in a balanced manner and the local residents feel happy” in our operations, we may help enhance the potential of socially vulnerable people and free them from undue bondage. Through dialogue with stakeholders and beneficiaries of our operations, we understand how our activities can help maintain the human rights of socially vulnerable people and strive to further promote these activities.

This policy was approved by the KMC Board of General Managers and signed by Hiroshi Okabe, President of the company.

August 8, 2022

Kaihatsu Management Consulting, Inc.

President



Hiroshi Okabe (Mr.)