

Asahi Group Responsible Procurement - Supplier Guidelines



Asahi Global Procurement



Please email your relevant Asahi procurement relationship owner if you have any concerns, queries or need additional assistance in understanding or implementing the Guidelines.





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Introduction

At the Asahi Group (also 'Asahi', 'we', 'our'), we source products and services from across the world. Due to the nature and scale of our business, we have significant potential to drive positive social and environmental outcomes through our procurement activity. We expect strong social and environmental standards from our suppliers and aim to support our suppliers to implement more sustainable practices.

We have developed our Asahi Responsible Procurement Program (the 'Program') to operationalize our ambition to protect the human rights of workers and communities in our supply chains and safeguard nature.

The Program is supported by a set of policies which are designed to assist Asahi's suppliers to uplift their business practices:

- Asahi Group Responsible Procurement Policy (the 'Policy')
- Asahi Group Global Supplier Code of Conduct (the 'Supplier Code of Conduct')
- Asahi Group Responsible Procurement - Supplier Guidelines (the 'Guidelines')
- [Asahi Group Human Rights Principles](#)
- [Asahi Group Environmental Principles](#)

These Guidelines outline the process by which Asahi's suppliers are to engage with the Program and communicate evidence of compliance with the requirements set out in the Policy.

Our focus areas

The Asahi Group is committed to respecting internationally recognized human rights. Asahi has determined the following as key focus areas to inform our Responsible Procurement (Human Rights)

Child labor

Safe and decent work conditions

Responsible recruitment

Fair wages

Working hours

Treat workers equitably

Scope and applicability

The Guidelines apply to all **prospective suppliers** interested in participating in an Asahi sourcing tender, and all existing suppliers with active sourcing contracts. Existing and **prospective suppliers** receive the Guidelines, the Policy and Code of Conduct when they become **registered suppliers** via the registration link to Asahi's supplier management system.

How to use the Guidelines



The Guidelines are for use by all **registered suppliers** as guidance material for understanding how to interact with the Program and conform with the requirements set out in the Policy and Code of Conduct.

Interested suppliers may also refer to the Guidelines to understand Asahi's Responsible Procurement expectations prior to registration.

The Guidelines are publicly available and shared with suppliers during supplier registration.

Bolded terms indicate that the relevant definition is outlined in the [Glossary of Terms](#).



Asahi Global Procurement



Responsible Procurement Program



Responsible Procurement Program

The Program outlines Asahi's process for monitoring, verifying and managing supplier performance in line with the requirements set out in the Supplier Code of Conduct, the Policy and supporting Guidelines. This approach is designed to formalise a continuous improvement approach and integrate broader stakeholder feedback into the Program. Our approach to addressing supplier risk for suppliers in scope of the Program is detailed throughout the following sections.

The below diagram outlines the process by which prospective suppliers will interact with the Program.



Click on each sub-heading to jump to the relevant section of the Guidelines.



1. Supplier Registration



2. Source to Contract



3. Ongoing Management

Request for Proposal

Contracting

Ongoing management SAQs

Third-party audits

Supplier management plan monitoring

Risk checkpoints



Suppliers are assigned risk ratings throughout the process (risk checkpoints), which determines requirements for further **due diligence** activities. Specific due diligence requirements will be communicated to suppliers at each stage of the process based on their risk outcome.



Stage 1 - Supplier registration

All **prospective suppliers** are required to register on Asahi's supplier management system (SAP Ariba) and attest to relevant Asahi policies to become **registered suppliers**.



1. Supplier Registration



2. Source to Contract

Prospective supplier completes registration questionnaire, including attestation to the Supplier Code of Conduct and the Policy.



Supplier enters Source to Contract stage as a registered supplier.

Supplier confirmation of compliance

- All **prospective suppliers** and existing suppliers are required to attest to the following policies during the registration stage:
 - Asahi Group Supplier Code of Conduct (the 'Supplier Code of Conduct'); and
 - Asahi Group Responsible Procurement Policy (the 'Policy').
- The Supplier Code of Conduct, Policy and the Guidelines are shared with suppliers via SAP Ariba upon registration to the platform.
- Acceptance of the Policy and the Supplier Code of Conduct by attestation results in Asahi approval to progress to the Source to Contract stage.



Stage 2 - Source to contract



2. Source to Contract



3. Ongoing Management

Suppliers are assigned a risk grouping during these stages

Qualified supplier submits information relating to category and country of goods or services procured, and prospective spend

Supplier completes pre-screening questionnaire and optionally, uploads any third-party product certifications

Supplier becomes eligible to participate in an RfP

Specific to the risk grouping, supplier may be required to undergo a qualification audit or provide a valid third-party product certification

Supplier awarded and accepts Asahi sourcing contract

Supplier may be subject to ongoing management which may include due diligence, based on assigned risk grouping

Who is subject to Asahi's due diligence activities?

- **Active management suppliers** are suppliers within scope of the Program's **due diligence** activities.
- **Active management** suppliers will be subject to **pre-screening due diligence** activities prior to contract signing to assess the suitability of the supplier based on their risk profile and the maturity of their controls.

Pre-screening

Registered suppliers are required to undergo **pre-screening due diligence** activities aimed at determining the high-level existence of controls for managing human rights risks in their own operations and supply chain. The outcome of these **pre-screening due diligence** activities determines whether a supplier qualifies to participate in an Asahi sourcing **Request for Proposal (RfP)** and if additional **pre-screening due diligence** activities are required.

Pre-screening questionnaire

- Suppliers may be required to complete a pre-screening questionnaire. The pre-screening questionnaire is designed to identify risk factors present in the supplier's operations and supply chain and assess the existence of controls at a high level. Completion of the pre-screening questionnaire, where relevant, is a pre-requisite to participating in an **RfP**.
- The supplier's assigned risk grouping determines which, if any, additional **pre-screening due diligence** activities are required prior to awarding an Asahi sourcing contract or purchase order.

Qualification audit

- **Qualified suppliers** may be required to undergo a **qualification audit** and/or develop and implement a Responsible Procurement **Supplier Management Plan (SMP)**.
- As an alternative to undergoing a **qualification audit**, **qualified suppliers** may submit and confirm the validity of one of the following:
 1. A **third-party product certification** from the list of approved certifications in section [Third-party product certification assessment](#); or
 2. A **third-party audit** report conducted at least 12 months prior to the supplier's notification of the need to undergo a **qualification audit**.
- Where audits are required, they must be booked within 30 days of the supplier being notified, and follow the same methodology as detailed in section [Third-party audits](#).

- Being responsible for the cost of the **third-party audit**, relevant suppliers may select an audit company of their choice, which must, at a minimum, satisfy the criteria set out in *Table 1: Third-party auditor selection criteria*. Any exceptions to this requirement will be assessed on a case-by-case basis.

Table 1: Third-party auditor selection criteria

- | |
|--|
| ✓ Demonstrate the capability to deliver the planned auditing activities, given the location, scale and scope of audit activities |
| ✓ Have the capacity to apply one or more of the approved audit programs in delivering the audit |
| ✓ Have systems and processes in place to enable delivery of transparent, accurate and complete audit findings such as an audit quality program |
| ✓ Audit companies/auditors are registered and/or preferably certified to the Association of Professional Social Auditors (APSCA) |
| ✓ Have not been the subject of allegations relating to fraud, corruption, and deception |

- Asahi reserves the right to disqualify any certification body/auditor.
- Asahi may choose to develop and implement a **Supplier Management Plan** as a result of **pre-screening due diligence** activities. Asahi will notify and consult with the supplier through this process, where required.

Third-party product certification assessment

Asahi views **third-party product certification** as a component of its risk management approach, supplementing our own due diligence processes. Asahi recognizes that certification programs often carry out continuous checks and confirmations.

Therefore, when deciding the extent and cadence of oversight required in the **ongoing management** phase, Asahi views a supplier's **third-party product certification** as a key factor. Asahi gives preference to buying products that have been independently certified and prioritizes sourcing the following commodities that are certified under the schemes set out in *Table 2: Third-party product certifications*.



Third-party product certification – What do I need to do as a supplier?

- Confirm which **third-party product certification** is applicable
- Provide a copy of the valid certification
- Notify Asahi if the certification has been suspended/expired. *In case of expiry, the supplier is required to provide the most up to date certification to Asahi.*

Table 2: Third-party product certifications

Commodity	Prioritised certification schemes	Certification type
Paper products	<ul style="list-style-type: none"> Paper certified by the Forest Stewardship Council (FSC) or Programme for the Endorsement of Forest Certification (PEFC). 	All types
Coffee	<ul style="list-style-type: none"> Coffee product suppliers who are able to provide evidence of coffee production that generates positive and mitigates negative social and environmental outcomes throughout the value chain. Asahi may accept Fairtrade International and Rainforest Alliance certified products. 	Relating to Rainforest Alliance: <ul style="list-style-type: none"> Rainforest Alliance Sustainable Agriculture Supply Chain Certification Rainforest Alliance Sustainable Agriculture Farm Certification
Tea	<ul style="list-style-type: none"> Fairtrade International and Rainforest Alliance independently certified tea products. 	Relating to Fairtrade: <ul style="list-style-type: none"> Fairtrade Product Certification Fairtrade Trader Certification
Cocoa	<ul style="list-style-type: none"> Fairtrade International and Rainforest Alliance independently certified cocoa products. 	Relating to Fairtrade: <ul style="list-style-type: none"> Fairtrade Product Certification Fairtrade Trader Certification
Palm oil	<ul style="list-style-type: none"> Roundtable on Sustainable Palm Oil (RSPO) independently certified palm oil products, derivatives, and fractions. 	<ul style="list-style-type: none"> RSPO Principles and Criteria (P&C) Certificate RSPO Supply Chain Certificate RSPO Independent Smallholder (ISH) Certificate
Sugarcane	<ul style="list-style-type: none"> Bonsucro and Fairtrade International independently certified sugarcane products. 	<ul style="list-style-type: none"> Bonsucro Production Certificate Bonsucro Chain of Custody Certificate
Barley/Malt	<ul style="list-style-type: none"> Recognised farm-level assessments include SAI Platform's Farm Sustainability Assessment (FSA) Gold and Silver performance level sites. 	<ul style="list-style-type: none"> FSA SAI Letter of Attestation – Gold and Silver performance levels

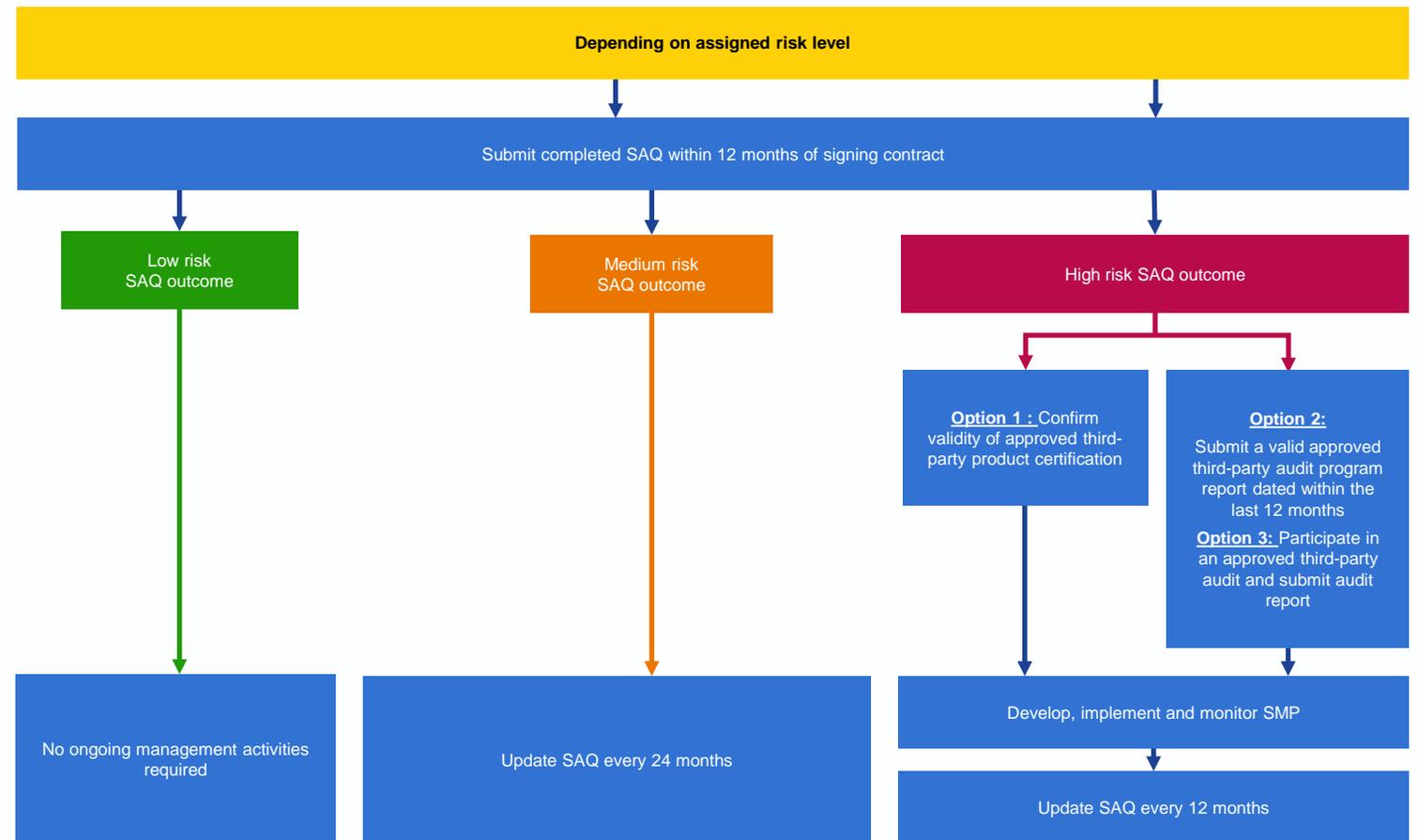
Following the contracting stage, **active management suppliers** will be subject to **ongoing management due diligence** activities.

The nature of these **ongoing management due diligence** activities differs according to the outcome of the supplier's pre-screening questionnaire, and whether the supplier holds valid and approved **third-party product certifications**.



Stage 3 - Ongoing management

Diagram 1: Ongoing management SAQ and audit requirements



Ongoing management self-assessment questionnaires (SAQs)

- **SAQs** are used as a risk monitoring tool to determine an **active management supplier's** baseline level of compliance to Asahi's standards.

Who is required to complete an SAQs?

- **Active management suppliers** will be required to complete an ongoing management **SAQ** within 12 months of signing their contract based on *Diagram 1: Ongoing management SAQ and audit requirements*. Asahi will notify relevant suppliers when **SAQs** require completion.
- Asahi will preferentially accept the following third-party **SAQ** schemes as equivalent to Asahi's **SAQ** requirements:
 - Supplier Ethical Data Exchange (SEDEX) SAQ
 - EcoVadis questionnaire and scorecard
- Alternatively, and by exception, suppliers not affiliated to either of the above schemes will receive a link to the Asahi customised **SAQ**, either online or manually.
- All **SAQs** will be reviewed by Asahi and suppliers will receive an Asahi-equivalent **SAQ risk outcome**.

Audits

Audits are used to verify compliance with our Supplier Code of Conduct and require the auditor to conduct verification activities such as, but not limited to, viewing and evaluating worker records, and engaging directly with workers.

Third-party audits

- The requirement for a supplier to participate in an **ongoing management third-party audit** is based on the **SAQ risk outcome** as outlined in *Diagram 1: Ongoing management SAQ and audit requirements*.



Third-party audits are to be **booked within 30 days** of a supplier being notified of their **SAQ risk outcome**, and to be conducted within 90 days of the same notification. These timeframes may be adjusted on a case-by-case basis as determined by seasonality, availability of auditors and other relevant factors to be discussed and agreed upon between Asahi and the supplier.

Approved third-party audit programs

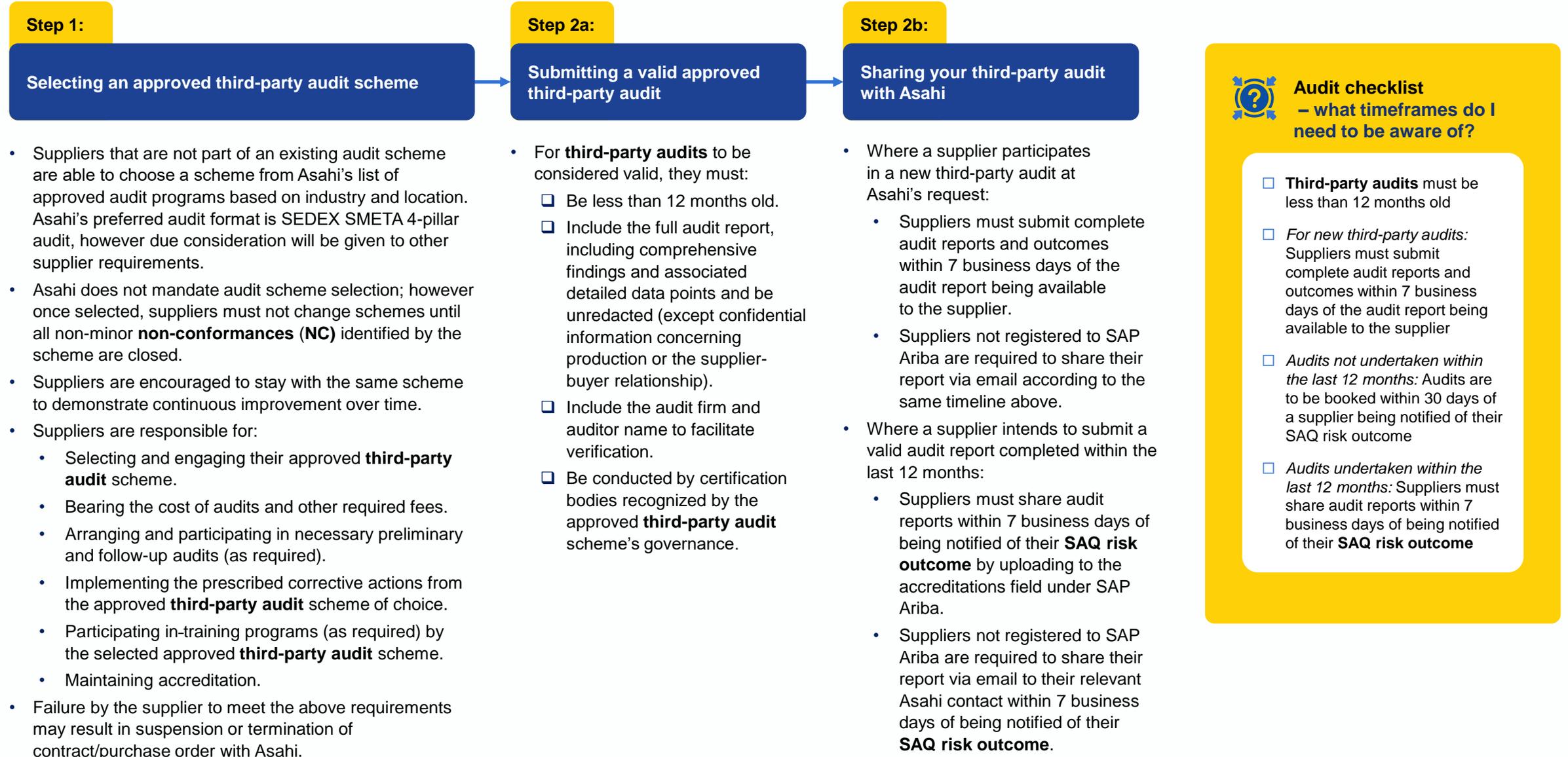
- Asahi will accept the following **third-party audit** formats:

Approved third-party audit programs

- [Supplier Ethical Data Exchange \(SEDEX\) Sedex members Ethical Trade Audit \(SMETA\)](#)
 - [Amfori Business Social Compliance Initiative \(BSCI\)](#)
 - [Social Accountability \(SA\) 8000](#)
- Suppliers are required to participate in all pre-audit activities required by the **third-party audit** scheme, including the completion of any applicable **SAQs**.
 - The approved **third-party audit** schemes will be reviewed as required and any major changes, including the addition of new schemes will be communicated to suppliers. Additional **third-party audit** schemes may also be recognised at Asahi's discretion.
 - As an alternative to undergoing an **ongoing management third-party audit**, **active management suppliers** may submit and confirm the validity of one of the following:
 - A **third-party product certification** from the list of approved certifications in section [Third-party product certification assessment](#); or
 - A **third-party audit** report dated no more than 12 months prior to the supplier's notification of the need to undergo an **ongoing management third-party audit**.



The following steps should be followed for program selection and sharing **third-party audit** reports. Any concerns relating to audit scheduling and costs should be directed to the relevant Asahi contact.



Responsible Procurement Supplier Management Plan (SMP) Monitoring

Third-party audit reports will be reviewed by Asahi and graded according to Asahi's internal **Non-Conformance (NC)** grading guidance.

Table 3: Audit grading and outcomes

Asahi audit grading	Outcome
Green	<ul style="list-style-type: none"> Approved to trade NC must be closed out according to the approved third-party audit program's requirements
Amber	<ul style="list-style-type: none"> Approved to trade – conditional on the agreement of an SMP NC must be closed out according to the approved third-party audit program's requirements
Red	<ul style="list-style-type: none"> May lead to temporary suspension, pending investigation and the agreement of an SMP NC must be closed out according to the approved third-party audit program's requirements Supplier may be selected for an Asahi led site visit Supplier may be required to participate in training or capacity building at their own expense If the supplier is unable or unwilling to remedy a NC or complete an SMP within the required timeframe, Asahi may suspend and/or terminate the supplier relationship. A decision to terminate a supplier will be made in accordance with Asahi's internal responsible exit process

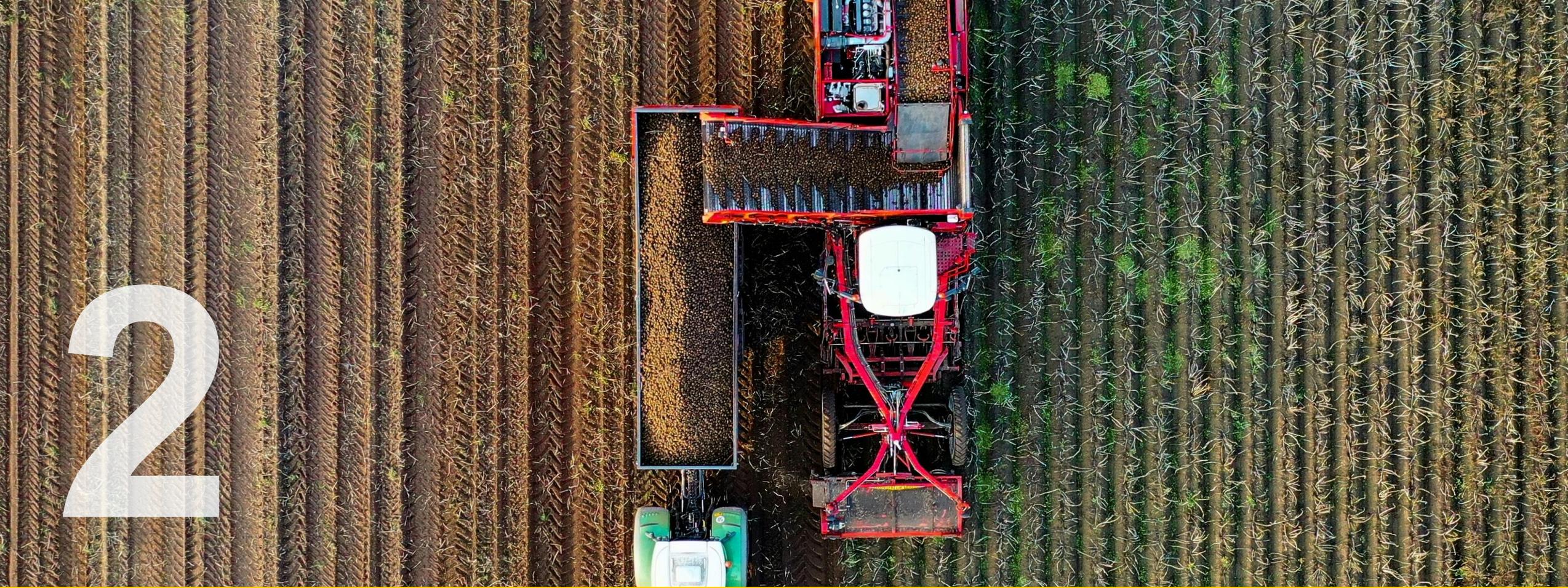
Supplier Management Plan (SMP) development and monitoring

- Asahi may require suppliers to develop a set of specific, timebound actions that will be developed in consultation with the supplier, and recorded in an **SMP**.
- Suppliers are required to implement their **SMP** in accordance with the timeframes of each specific action and will be periodically engaged by Asahi on the status of the **SMP's** implementation.
- SMPs** are likely to be developed as a result of the Program's **third-party audit** requirements, however they may also be developed based on any of, but not limited to, the following:
 - SAQs**
 - Asahi led **site visits**
 - Substantiated grievances identified from both the [Asahi Speak Up Policy](#) and the supplier's **grievance mechanism**
 - Substantiated **NCs** identified from media, NGO or other reports
 - Communication from human rights defenders

Responsible exit

- Where a supplier fails to comply with the **SMP** within the agreed timeframe, Asahi will prioritise working with the supplier collaboratively to close out **NCs**. Failure to comply with the **SMP** within the agreed and reasonable timeframes shall result in escalating consequences up to and including possible termination in the most severe circumstances. This will be conducted in line with Asahi's internal responsible exit guidelines and in consultation with the supplier.

2



Grievance and remediation mechanisms



Grievance and remediation mechanisms

- As required in the Supplier Code of Conduct, we expect our suppliers to have a formal **grievance mechanism** in place that should be made available to all workers in its operations (including contractors and workers not covered by a formal contract of employment).
- The **grievance mechanism** must be accessible, easy to understand, legitimate and safe, equitable and rights-compatible, predictable, transparent, confidential and improvement-based.
- Where a substantiated adverse impact is identified, we expect our suppliers to provide **remediation** to all impacted workers in their operations and supply chains. Adverse impacts may be substantiated by evidence that is identified and verified by investigation through avenues such as, but not limited to, Asahi or the supplier's **grievance mechanism**.
- If any person becomes aware of a breach of this Supplier Code of Conduct, either in its own organization or Asahi's supply chain, reports can be made to Asahi's Speak Up channel. This channel is independently operated by an external party and is available 24/7, 365 days a year, in various local languages of the countries/regions which we operate in. The Speak Up channel can be used anonymously and is intended to be confidential. Users may access the Speak Up channel through one of the following methods:
 - Web browser form: asahigroup.ethicspoint.com
 - Mobile form: asahigroupmobile.ethicspoint.com
 - Free of charge telephone hotline in designated countries/regions (see Asahi Speak Up Policy – Annex 1 for hotline numbers)





3

Implementation guidance



Implementation guidance

We appreciate that our suppliers may need additional support and guidance in adhering to our Supplier Code of Conduct and Responsible Procurement Policy.

This section of the Guidelines outlines:

1. Potential issues that suppliers may encounter when implementing the requirements; and
2. Examples of effective management systems, policies and procedures that may enable suppliers to meet the requirements set out in the Supplier Code of Conduct.

The potential issues and examples are not exhaustive and intended to be indicative only.



Tip: Download this implementation guidance and use it as a checklist.

Child labor



Examples of potential issues

- ✗ Insufficient process for verifying the age of job applicants.
- ✗ Young employees are allocated to night shifts, risky jobs, or working overtime.
- ✗ Children working on the family farm handling hazardous materials and working significant hours that limits attendance to school throughout the year.
- ✗ The corrective action for a child discovered working in the workplace only involves their removal, which could potentially expose the child to even greater risks.
- ✗ On-site service providers are employing children.

Potential implementation actions



Management systems

- The supplier establishes sufficient financial (or other) resources to ensure children in their communities can continue schooling until they are no longer minors. If necessary, they provide support and give access to transitional schools that prepare previously out-of-school kids for enrolment into a state-run school.
- The supplier ensures that the child who has been withdrawn from work attends school rather than returning to work elsewhere.
- Management and employees receive adequate training on the policy and procedures concerning child labor, including age verification for job applicants.
- The supplier maintains records of all procedures that ensure the safety of young workers.



Policies

- The supplier has a comprehensive and explicit policy against child labor. The policy explicitly describes the supplier's responsibility for ensuring adherence to the applicable child labor laws and regulations.
- Only applicants who meet or exceed the minimum age requirement for employment are recruited.
- Ensure compliance and adherence to relevant child labor laws regarding pay, work conditions, and working hours.
- Young employees will not be allocated to night shifts, overtime tasks, or any job that poses mental, physical, social, or moral harm.
- The policy specifies the minimum age requirements for all employees and outlines corrective actions if there is any instance of child labor identified.
- Maintain accurate records of employees hired by service providers, including documentation that verifies their age.



Procedures

- Legitimate and objective processes to confirm the age of all job applicants, using officially recognized government documents when possible.
- Methods to categorise workplace jobs with health and safety risks, deemed unsuitable for young workers.
- A system in place to ensure that student employees are allocated only to positions that align with their academic studies.
- Evaluate whether all relevant employees have education, ensuring adherence to the requirements for young workers, including those in apprenticeships and internships.
- Remediation and corrective measures include immediate care provision, instant withdrawal of the child from all work-related activities, and a guarantee of a secure environment where the child does not feel threatened or frightened by the circumstances.

Forced and compulsory labor



Examples of potential issues

- ✗ Employees incurring substantial debts, resulting from paying fees to recruitment agents or sub-agents.
- ✗ Labor brokers or employers keep worker identification documents including their passports, restricting their ability to leave their jobs and their freedom of movement.
- ✗ Workers are required to sign revised contracts potentially applicable for differing jobs with lower wages and benefits, after arriving in their destination country.
- ✗ The workers are compulsorily registered in obligatory savings schemes where their access to their wages is restricted until the end of their employment period.
- ✗ For the same jobs, foreign immigrants and contract laborers usually retain fewer benefits and less earnings in comparison to local full-time employees.

Potential implementation actions



Management systems

- Ethical recruitment and forced labor policy trainings are accessible to both management and employees.
- Forced and bonded labor prohibited through extensive policy and legal requirements, with sufficient protocols to ensure compliance.
- Adequate documentation of methods to track recruitment and placement fees charged to job seekers and employees.
- Oversight on workers' willing engagement in their employment contract, upholding their right to resign without facing any repercussions, given that they provide appropriate notice.



Policies

- The supplier should only partner with recruitment agencies with a proven track record of ethical hiring and fulfilling the supplier's policy requisites.
- Every worker is given comprehensive and precise employment conditions prior to being requested to sign an employment agreement.
- Workers contract terms should not be altered without written agreement.
- Employees will always retain their passports and be given their own safe storage facilities.
- All workers can terminate their employment contracts during any period if given within the appropriate notice period, without consequence or retaliation.
- Migrant workers identified as victims of trafficking or provided with counterfeit immigration documents will be granted remedies within the scope of the law.



Procedures

- Employees constantly hold their personal identification documents, travel papers, and bank payment cards. The agent, broker, or employer can only keep these for the duration needed to renew the necessary paperwork, such as visas and work permits. Where documents are held centrally, employees have free access to all documents.
- Workers should not be subjected to any fees that would result in them being placed in situations of forced labor, to be confirmed through the official contracts with recruitment agencies and labor contractors.

Discrimination and harassment



Examples of potential issues

- ✗ Individuals applying for jobs who were rejected due to their personal belief systems and attributes.
- ✗ The flawed use of medical examinations to assess a worker's job skills and abilities.
- ✗ Factors including gender, age, ethnicity restricting employee ability to receive overtime, bonuses, promotions, or job training.
- ✗ Differential treatment of union members and representatives compared to other employees.
- ✗ Women workers are put at risk of losing their jobs, their position, or get penalized with wage cuts if they fall pregnant.
- ✗ Unconscious bias and systemic discrimination concerns.

Potential implementation actions



Management systems

- Hiring and promotion decisions are to be solely dependent on skills, merit, and job performance.
- Instead of using disciplinary based incentives, employers should opt for behavioural incentives.
- Appropriate preventative measures to address discrimination, allowing for equal and harassment-free opportunities.



Policies

- The prohibition of discriminatory workplace practices in relation to job promotions, compensations, benefits, and other risk areas.
- Policies which restrict any inhuman treatment including verbal and physical abuse, harassment, and threats.
- Applying progressive disciplinary systems to all workers fairly.



Procedures

- Reassess the processes used to prevent discriminatory behaviour across recruitment stages, training, promotion, and employment termination periods.
- Altering communication styles, through adapting language to be gender neutral and including representative images of diverse individuals.
- Programs recognising and addressing discrimination risks to vulnerable groups including women, migrant communities, and disabled individuals. These programs should increase awareness of flexible working arrangements, childcare and other relevant areas.
- Diversity criteria included in the selection of new suppliers.
- Liability to ensure adherence to anti-discrimination laws.

Safe and decent work conditions



Examples of potential issues

- ✗ Exit aisles and doors are not accessible to workers, as they are either locked or have blocked entries.
- ✗ Employees dissuaded from reporting workplace-related health & safety concerns and injuries.
- ✗ The maintenance of machine safety measures is either neglected or deliberately avoided.
- ✗ Employees requiring permission from supervisors to drink water or use the restroom.
- ✗ Routine evacuation practice drills are not carried out.
- ✗ Storage facilities not aligned with the local health and safety requirements.
- ✗ Implications associated with harsh working conditions and demanding job tasks.

Potential implementation actions



Management systems

- The establishment of a safe and healthy work environment.
- Management and employees receive sufficient workplace health and safety policies, addressing the primary hazards and challenges of various job tasks.
- Guaranteeing that health and safety policies and procedures are effectively communicated across workplace channels, ensuring all visitors are provided with the necessary information.



Policies

- Sustaining a safe and healthy workplace, encompassing any employer-provided housing, transportation, and food services.
- Medical treatments and additional services are provided to workers dealing with work-related injuries or illnesses, ensuring they can safely recover and return to work.
- Employees obtain rights to access necessities including clean toilets and drinking water.
- Policies clearly declare their workplace health and safety risks, which is easily accessible for all workers.



Procedures

- Enabling proactive measures for hazard controls including machine guarding and exhaust ventilation.
- Implementing the minimum requirements of safe and healthy workspaces include having adequate lighting, controlled temperatures, and sanitation, also applying to any company living spaces.

Safe and decent accommodation



Examples of potential issues

- ✗ Worker accommodations have limited access to clean and drinkable water, sanitation, food, ventilation and/or clean bathrooms.
- ✗ No easily accessible exits are available to workers in their accommodations.

Potential implementation actions



Management systems

- Liability to create safe and clean accommodation for employees, meeting their fundamental needs, while guaranteeing workers can select their own living arrangements.
- Rental fees should not exceed a reasonable percentage of employee's wages, by ensuring no loan repayment programs are imposed on employees.



Policies

- All worker accommodations should abide by the relevant health and safety regulations.
- Employees will not face any unjustifiable constraints on their movement from their accommodation/workplace during their non-working hours.



Procedures

- Labour agency or employer provided accommodation require periodic assessments to ensure it remains clean, safe and is structurally upheld.
- Workers obtain the freedom of choice to decide to live in any workplace accommodation such as dormitories offered.



Hazardous materials



Examples of potential issues

- ✗ Environmental implications resulting from any potential chemical spills, or any uncontrolled emissions from hazardous materials.
- ✗ Inadequate applications of monitoring and documentation procedures that track the storage and handling of hazardous materials.
- ✗ Unregulated vendors discarding of any unsafe and hazardous waste materials.

Potential implementation actions



Management systems

- Detailed policy guidelines that outline strategies to safeguard workers from hazardous material exposure.
- Enabling the protection of workers who are in contact with hazardous materials, through the provision of resources and training to both workers and management.
- Creating effective monitoring processes to assess strategies used to prevent harms associated with worker's exposure to any hazardous materials and waste.



Policies

- Emergency procedures that allow for preventative measures to address challenges in cases of hazardous material leaks and spills, as well as other potential environmental incidents.
- Relevant documentation provided to assess procedures involving worker's handling and storing of hazardous waste and chemical process equipment.



Procedures

- The development of a workplace Health and Safety committee, where selected personnel receive training on environmental issues concerning waste management and the appropriate disposal of hazardous materials.
- Routine inspections of facilities to ensure emissions controls are effective and functioning correctly.
- Hazardous materials handling and storage requires employees to use personal protective equipment (PPE).





Responsible recruitment

Examples of potential issues

- ✗ Hazards of worker abuse, such as debt bondage where employees must keep working to repay a debt to a labor broker, their employer, or another third party, usually due to recruitment fees or loans.
- ✗ Chances the employee might be paying for their job, even if the labor costs are being covered. For instance, a labor agency may be collecting charges from both you and the workers, or employees might be paying fees to another party involved in the recruitment process, apart from the agency.
- ✗ Upon arrival in the destination country, workers are asked to sign new contracts that may be for a different job, with different terms and conditions, with lower pay and benefits.
- ✗ Regardless of whether the recruitment fees are minimal, or paid to several people, workers may accumulate substantial debts, potentially leading to debt bondage.

Potential implementation actions



Management systems

- Conducting pre-screening of recruitment agencies used.
- Bearing the responsibility for covering all costs and expenses related to a worker securing a job or those incurred during their performance of duties. If workers have paid any fees, they must receive reimbursements.
- Engaging in industry-wide programs that advocate ethical hiring practices that help to foster demand for responsible recruitment by highlighting the advantages of ethical practices.



Policies

- Addresses specific concerns like recruitment fees, wage advances and worker loans and withholding wages.
- Outlines the necessary diligence and continuous management procedures to effectively address issues like recruitment fees when employing recruitment agencies or brokers.



Procedures

- Implementing procedures to avert, detect, and rectify any potential instances of recruitment fees being paid by employees, including through the oversight of recruitment agencies or labor brokers.

Fair wages



Examples of potential issues

- ✗ Workers not receiving pay promptly or in accordance with minimum wage regulations.
- ✗ The overtime pay does not comply with the rate specified by the relevant laws and regulations.
- ✗ Regardless of the hours worked by piece rate workers, they do not earn minimum wage.
- ✗ Unlawful wage deduction imposed as a disciplinary action.
- ✗ The pay slip data and information does not align with the associated payroll records.
- ✗ Failure to pay allowances, bonuses, or benefits as mandated by law.

Potential implementation actions



Management systems

- Documenting and tracking all work hours in the timekeeping system and employee pay slips to ensure they do not surpass legal limits and guaranteeing that workers receive a day off every week.
- Documentation of all wage and social benefits payments.
- Monitoring that workers receive remuneration accordingly to the legal minimum wage requirements, including consideration of legally mandated social benefits.
- The supplier's policy demonstrates an explicit commitment to providing legal wages and benefits.



Policies

- Unless specified differently by local laws, there must not be any wage deductions used as a disciplinary action (this does not negate the right to damages on a contractual or legal basis).
- The basic wages, including approved overtime, always comply with collective bargaining or legal agreements, and wages should be paid in full and promptly on time.
- Full time wage earnings are sufficient to meet the necessities of workers, covering their fundamental living expenses.
- Employees pay slip clearly specify the main components of their compensation, exact wages, benefits, incentives, and any deductions made.



Procedures

- Employees receive equitable and competitive remuneration and benefits, upholding the principle of equal pay for equal work.

Working hours



Examples of potential issues

- ✗ Workers are engaged for more working hours each week or month than the legal requirements permit.
- ✗ Employees are unable to decline overtime work without facing repercussions, such as not receiving consideration for overtime work in the future.
- ✗ Employees working for several weeks without a day off, leading to a rise in job-related injuries and diminished productivity.
- ✗ Workers do not receive the daily rest periods mandated by law.

Potential implementation actions



Management systems

- An explicit commitment in the supplier's policy to restrict work hours, comply with legal requirements, and prioritize employee safety.
- Accountability in procedures ensuring compliance to working hours laws and regulations.
- Training provided for management and employees on working hours, and strategies on managing them within legal constraints.
- Documenting and tracking all work hours in the timekeeping system and employee pay slips to ensure they do not surpass legal limits and guaranteeing that workers receive a day off every week.
- Management ensures the workforce meets the staffing requirements, are skilled and resourced to prevent overtime, whereby peak periods exist to avoid excessive overtime.
- Suppliers must be transparent regarding the need for overtime work, and any associated compensation provided for it.



Policies

- Adherence to national and local laws related to working hours and rest periods.
- Regulations mandate that rest breaks and meal breaks should be given during the working day.
- Every seven days, 24 consecutive hours of rest will be given, or every 14 days, 48 consecutive hours of rest will be given.
- All overtime is voluntary, and workers do not work in excess of 60 hours per week (including overtime).



Procedures

- Methods for employees to log their work hours, ideally through an electronic timekeeping system.
- Sufficient management procedures to ensure working hours do not surpass the legal limits.
- Procedures so employers can request overtime work from employees' overtime whilst allowing them to reject these requests.
- Work scheduling procedures which can guarantee at least one rest day (24 consecutive hours) every seven days worked for all employees.
- Employees must receive equitable and competitive remuneration and benefits, upholding the principle of equal pay for equal work.

Women's rights



Examples of potential issues

- ✗ Challenges in gathering gender disaggregated data to address any risks.
- ✗ Unlawful discrimination in hiring processes.
- ✗ Female workers face threats of termination, seniority loss or wage cuts if they fell pregnant.

Potential implementation actions



Management systems

- Establishing a committee dedicated to dealing with gender-related matters in the workplace, comprised of several employees which aids the company in pinpointing risks associated with gender in the company's policies, operations, and initiatives.
- Ensuring that the gender-related committee serves as crucial resource to enhance women workers' safety, security, and empowerment.



Policies

- Reviewing workplace policies to ensure they specify how operations can affect women workers versus men workers differently, for example in relation to workplace, health, and safety concerns.



Procedures

- Adapting communication methods to suit audiences is important, for instance when women may possess limited literacy skills, utilizing cartoons, images, and infographics could be useful.
- Regularly assessing gender-related and diversity policies and the measurable targets set for achieving equitable gender equality outcomes.
- Implementing a gender-based perspective in workplace procedures and carefully examining them to ensure the presence of gender-responsive policies, such as evaluating the anti-harassment policy.
- Encourage clear communication about the measures taken to bridge gender disparities, underlining a definite commitment towards achieving gender equality targets.

Freedom of association and collective bargaining



Examples of potential issues

- ✗ Applicants do not receive job opportunities due to their affiliations with trade unions or other worker groups.
- ✗ Worker representatives do not receive any compensation for their time allocated towards their representative responsibilities.
- ✗ Union representatives and members are treated differently than other workers.
- ✗ Workers discouraged to join unions and/or representative employer organisations.
- ✗ Worker representatives selected by management rather than being democratically elected.
- ✗ Freedom of Association laws-local law restrictions.
- ✗ Temporary and contract workers can pose risks to the business at precarious times, including during industrial unrest or strikes.
- ✗ Workers face adverse consequences such as risks to their wages, working hours, employment status, promotional opportunities, and grievances resulting from them joining or creating trade unions.

Potential implementation actions



Management systems

- The supplier's policy explicitly details their responsibility to respect the rights of collective bargaining and forming associations.
- Protocols which uphold compliance with laws and regulations that support freedom of association.
- Management and workers are given training on the freedom of association policy, including relevant guidance on how unions and other worker organizations can operate without disruption.



Policies

- Workers have the right to peacefully gather and deliberate on workplace-related issues.
- Workers have the right to either join or abstain from joining trade unions or other representative worker organizations of their preference.
- Employment decisions included within hiring processes, promotions, wage increases and access to training should not account for workers association with trade unions.
- Methods for workers to collectively voice any concerns or requests to management in situations where a trade union is not present.



Procedures

- Building a thorough understanding of risks which can impede freedom of association rights across the whole supply chain of the business.
- Utilising risk assessments when required to evaluate potential limitations of worker's freedom of association rights.
- Facilitating collaborative training initiatives with trade union or worker representatives to foster positive labor relations, including health and safety training, and sexual harassment prevention.

Rights to land and natural resources



Examples of potential issues

- ✗ No regular evaluation processes to assess compliance with regulations and laws.
- ✗ The principle of free, prior, and informed consent not followed before the land becomes acquired.
- ✗ Unauthorised vendors used in the disposal of hazardous materials and waste.

Potential implementation actions



Management systems

- Policies on land use and acquisition are comprehensive and clearly outlined.
- Procedures that adhere to the relevant regulations, international standards, and laws on the rights to land, acquisition of land and natural resources.
- Sufficient training provided to management and workers engaging with community members on procedures for obtaining free, prior, and informed consent.
- Keeping detailed records of all property or land use rights pertaining to all lands owned, acquired, or under the control of the supplier.



Policies

- Ensure adherence to the relevant regulations, laws, and international standards, concerning land use, acquisition, and natural resources.
- Engagement with Indigenous Peoples and local communities must uphold transparency for the lease or purchase of land.



Procedures

- Procedures regarding land rights should include: human rights and environmental impact assessments, community engagement, free, prior, and informed consent process and grievance process.
- Processes to regularly identify, monitor and apply applicable laws, regulations and international standards relating to land use and acquisition and natural resources.
- Adequate procedures to attain the free, prior, and fully informed consent of Indigenous Peoples or impacted communities, concerning all land acquisitions.
- Community members can access training on their right to free, prior and informed consent, in regard suppliers' land acquisitions or transfers .
- Maintains records of all relevant land use laws, regulations, international standards, and customer requirements.
- Facilitating outreach with individuals, communities, and Indigenous Peoples, with records of meeting minutes.
- Documentation of community grievance reports which must involve their investigation and resolution processes, and if applicable any remediation outcomes.
- Regular feedback mechanisms enabled through ongoing surveys of community members, concerning any relevant supplier land use policies and procedures.
- Routine audit procedures conducted on the supplier's land use processes and procedures are undertaken by internal staff and external auditors who are qualified and trained.
- Conducting assessments of any grievances from community members about land use issues on a regular basis.

Human rights defenders



Examples of potential issues

- ✗ Connection to intimidation, threats, or attacks against human rights defenders, whether by the organization or any affiliated third parties.

Potential implementation actions



Management systems

- Human rights defenders or human rights policy must be comprehensive and clearly outlined.
- Ensure adherence to the relevant regulations, laws, and international standards, concerning the protection of human rights defenders.
- Sufficient training provided to management and workers engaging with human rights defenders, ensuring the protection of their human rights.



Policies

- Recorded protocols detailing the prohibition of all threats, any form of abuse, intimidation, or retaliation against human rights defenders.



Procedures

- Applying and monitoring the relevant regulatory standards, laws, and international standards, corresponding with the protection of human rights defenders.
- The provision of safe, accessible and anonymous grievance mechanisms to human rights defenders.



Grievance mechanism and remediation



Examples of potential issues

- ✗ Employees fail to use the provided grievance mechanisms, due to their lack trust in its confidentiality, and beliefs they are ineffective in resolving their concerns.
- ✗ The reported problems are not being addressed promptly.
- ✗ Workers lack awareness on processes to report a grievance anonymously.
- ✗ Workers who report any complaints or grievances face harassment and retaliation.
- ✗ Grievance processes are not procedural and standardised.
- ✗ Parties lack sufficient access to the required advice, resources, and expertise to participate in the grievance process in a fair, informed, and respectful manner.
- ✗ Dissatisfied parties cannot contest the outcomes of grievance investigation procedures due to no appeals processes.
- ✗ Workers do not have access to any progress made on their grievances lodged, nor are they consulted on the mechanism's performance capability and design.
- ✗ The outcomes and solutions of grievance procedures do not adhere to the international human rights standards.
- ✗ No monitoring or assessments on the effectiveness of grievance processes.

Potential implementation actions



Management systems

- Grievance mechanism policy is to be comprehensive and clearly outlined.
- Efficient processes for establishing a confidential and trustworthy grievance procedure, that effectively investigates and resolves any reported issues.
- Sufficient training provided to management and workers on the grievance mechanism policies and procedures. This includes detailed steps on ways to report grievances, and processes on grievance resolutions.
- Records of grievance reports and resolutions should be readily available.
- Procedures to ensure the appropriate steps are followed for grievance mechanisms, allowing for an easier process for impacted parties to use.
- Grievance processes should allow for clear resolutions of issues regarding the application of relevant policies and procedures.
- Regular reviews by senior management of the overall performance of the grievance system.
- Developing a grievance mechanism committee including the relevant personnel such as workers, managers, and other affected parties.



Policies

- Retaining confidentiality in grievance procedures, also allowing the impacted parties to raise any concerns anonymously.
- Several channels to report grievances that can be either formal or informal.
- Not allowing any retaliation or harassment of the affected parties involved in grievance procedures.

Grievance mechanism and remediation cont.



Potential implementation actions



Procedures

- The supplier has ways that workers can report a grievance against their supervising manager to a different individual who is not in the same reporting channel.
- Time efficient investigations and resolutions of grievance reports, communicating to the worker who originally reported their concerns.
- Methods allowing the affected parties to monitor the progress of their grievance report, and appeal any resolutions they disagree with.
- Clearly outline the instructions on various approaches to report grievances, in the languages that relevant parties can understand.
- Training provided to managers and other parties who uphold a clear responsibility to respond to grievances.
- Convey the deadlines for management to address grievances through written communications. If the resolution is postponed, the supervisor or manager should provide the cause of delay in writing.
- Workers receive sufficient training on the appeals processes for grievance mechanisms.
- There is robust governance of grievance mechanisms to ensure they are managed in the correct manner.



Documentation procedures

- Maintaining records of any of the grievance reporting, investigation, resolution, and appeal processes.
- Logging and classification of all reported issues.
- The grievance records should obtain clear details about the issue, the reporting date, the person assigned to investigate and resolve it, how it was handled, and when feedback was provided to the complainant.
- Grievance records should be maintained confidentially, with access restricted to the selected personnel.
- Summaries of the key issues reported in grievance procedures, including supervisor's responses, accessible to any impacted parties.



Monitoring procedures

- Routine assessments of the use of reporting channels provided, to review if the intended goals are met.
- Regularly evaluate the effectiveness of the established procedure used by managers and other responsible individuals for investigating and resolving complaints. This can be done by examining complaint records and conducting interviews with the relevant staff to gauge their understanding of the procedure.
- Ongoing monitoring procedures to evaluate the KPIs, and to measure the effectiveness of the program.
- Regularly surveying employees and other impacted parties to develop a comprehensive understanding of their trust in the grievance mechanism.

Sub-contracting



Examples of potential issues

- ✗ Engaging sub-contractors to carry out some or all of the services under a contract, when Asahi has expressly prohibited sub-contracting of those services.
- ✗ Significant reliance on the use of sub-contractors to perform business activities, particularly those which are labor intensive.
- ✗ Absence of controls or processes for identifying, managing, monitoring and remedying the human rights-related practices of sub-contractors.

Potential implementation actions



Management systems

- Reasoned decision-making processes for evaluating the need for using sub-contractors with the purpose of eliminating, or minimising their use where required.
- Efficient processes for notifying and obtaining approval from Asahi if the use of sub-contractors is required.
- Processes for engaging with sub-contractors to ensure compliance with the supplier's human rights-related policies.



Policies

- Human rights-related policies must clearly outline their applicability to sub-contractors and describe the supplier's processes for ensuring compliance.
- Explicit description of Asahi approval being a pre-requisite for any use of sub-contractors.



Procedures

- Standardised procedures for recording the use of all sub-contractors and the justification for their use, including a description of why their non-use is not possible.
- Documentation of procedures for obtaining prior approval from Asahi for any use of sub-contractors.
- Due diligence procedures for identifying, managing, monitoring and remedying the human rights-related practices of sub-contractors.



Climate Change



Examples of potential issues

- ✗ Inadequate or incomplete carbon accounting procedures to track greenhouse gases (GHG) emissions.
- ✗ Inadequate monitoring and documentation processes that track and audit carbon reduction.
- ✗ Lack of ambition of climate targets and goals to reach 1.5 degrees of global warming, the limit defined according to the Paris Agreement.
- ✗ Insufficient action plan to decarbonize operations, and no risks and opportunities assessment in place.
- ✗ No regular follow up on carbon-related regulations and protocols that might affect operations.

Potential implementation actions



Management systems

- Greenhouse gases (GHG) accounting is up to date, covering all the necessary segments of the company, and coherent to guidelines set by the GHG Protocol.
- Emission reductions targets are ambitious; and their evolution is reviewed regularly.
- Sufficient training provided to management and workers engaging with GHG accounting, reporting, and target setting and follow up.
- Ensure that auditing or third-party verification of the inventory is carried out at least on a yearly-basis.
- Maintaining records and evidences of data for external audit purposes.
- Net Zero target is approved by the SBTi and the decarbonization roadmap is regularly updated.
- Risks and opportunities assessment in place to tackle increased climate resilience.



Policies

- Ensure adherence to relevant local regulations, laws, and to international standards, concerning carbon reporting, climate risk analysis, carbon reductions, and similar.
- Follow up on new developments and negotiation of climate-related policies arising in different countries and regions, such as the CSRD for Europe.
- For publicly traded companies, be aware of regulations on reporting climate and sustainability-related matters at different stock exchange organizations.
- Increasing anti-greenwashing actions from civil society, non-governmental and governmental organizations.
- Carbon markets and carbon taxes are being created and updated in different regions and countries. Stay up to date with these changes, and aware of risks and opportunities for your business.



Procedures

- Adequate and frequent capacity building of teams in carbon accounting, climate change, sustainability risks and opportunities, and similar.
- Creating effective accountability and external reporting of carbon data and roadmaps.
- Routine audit procedures conducted by internal teams and external organizations.
- Processes to regularly identify, monitor and apply upcoming and applicable laws, regulations and international standards relating to GHG emissions, climate strategy and reporting.
- Leadership within the organization is accountable for climate and carbon targets.
- Establish close collaboration with government and corporate affairs teams to advocate for public policies and incentives towards decarbonization and green innovation.



4

Questions



Questions



Please email your relevant Asahi procurement relationship owner if you have any concerns, queries or need additional assistance in understanding or implementing the Guidelines.





5

Glossary of terms

Glossary of terms

Key terms	Definition
Active management	All inherently high-risk suppliers that the business has a contractual relationship with regardless of spend, in addition to suppliers with whom Asahi has a contractual relationship and spends more than \$100,000 USD per annum.
Bonsucro	Bonsucro offers a credible, metric certification process to demonstrate commitment to environmental and social sustainability in sugarcane ¹ .
CDP Questionnaire²	CDP is a global non-profit that runs the world's environmental disclosure system for organizations including capital markets, companies, cities and governments to assess their impact. CDP offers a multi-environmental issue questionnaire for large organizations, focused on climate change, forests and water security.
Due diligence	Activities conducted to exercise reasonable care, investigate, verify and assess all potential risks of adverse impacts associated with a business' supply chain or a specific business transaction or decision. <i>Due diligence may involve examination of financial records, legal documents, operational mechanisms, and other relevant factors. For human rights this could involve suppliers answering SAQs to identify risks. The standard and scope of due diligence may vary based on a business's size and nature of the business agreement.</i>
Fairtrade	Fairtrade supports and challenges businesses and governments and connects farmers and workers with the people who buy their products ³ .
Forest Stewardship Council (FSC)	FSC forest management certification confirms that the forest is being managed in a way that preserves biological diversity and benefits the lives of local people and workers, while ensuring it sustains economic viability ⁴ .
Greenhouse gases (GHG)	Any gas that absorbs infrared radiation in the atmosphere. Greenhouse gases include, but are not limited to, water vapor, carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), hydrochlorofluorocarbons (HCFCs), ozone (O ₃), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulfur hexafluoride (SF ₆).
GHG Protocol	Greenhouse Gas Protocol provides standards, guidance, tools and training for business and government to measure and manage climate-warming emissions ⁵ .
Grievance mechanism	Any routinized process through which grievances concerning business-related negative impacts can be raised and remedy can be sought ⁶ .
Non-conformance (NC)	An instance where the supplier's practices do not meet the requirements of the Program.
Ongoing management	Set of due diligence activities applied to active management suppliers to verify and manage their performance relating to the requirements of the Program.
Ongoing management third-party audit	Third-party audits provided under an approved third-party audit scheme that is conducted as part of the Program's ongoing management requirements.

Key terms	Definition
Pre-screening due diligence	Set of due diligence activities subject to suppliers prior to being awarded an Asahi sourcing contract or purchase order.
Programme for the Endorsement of Forest Certification (PEFC)	PEFC, the Programme for the Endorsement of Forest Certification, is a leading global alliance of national forest certification systems. As an international non-profit, non-governmental organization, we are dedicated to promoting sustainable forest management through independent third-party certification ⁷ .
Prospective supplier	Suppliers who have expressed interest in becoming an Asahi supplier but have yet to participate in the Program.
Qualification audit	Third-party audits provided under an approved third-party audit scheme that is scheduled and/or conducted prior to being awarded an Asahi sourcing contract or purchase order.
Qualified supplier	Suppliers who are eligible to participate in an Asahi tender or RfP.
Rainforest Alliance	The Rainforest Alliance is an international non-profit organization building an alliance to protect forests, improve the livelihoods of farmers and forest communities, promote their human rights and help them mitigate and adapt to the climate crisis ⁸ .
Registered supplier	Suppliers who have registered to Asahi's supplier management system (SAP Ariba) and attested to the Policy and Supplier Code of Conduct.
Remediation	The process of providing remedy for an adverse impact and the substantive outcomes that can counteract, or make good, the adverse impact. These outcomes may take a range of forms such as apologies, restitution, rehabilitation, financial or non-financial compensation, and punitive sanctions (whether criminal or administrative, such as fines), as well as the prevention of harm through, for example, injunctions or guarantees of non-repetition ⁹ .
Request for Proposal (RfP)	The process whereby qualified suppliers participate in a tender process for an Asahi sourcing contract.
Roundtable on Sustainable Palm Oil (RSPO)	RSPO Certification assures individuals that RSPO Members who produce or physically handle RSPO Certified Sustainable Palm Oil (CSPO) have obtained RSPO Certification. It includes the assurance that the member has committed to and complied with sustainability requirements, and can make a claim on their certification status and communicate this throughout the supply chain ¹⁰ .
SAI Platform's Farm Sustainability Assessment (FSA)	The Farm Sustainability Assessment (FSA) enables food and drink businesses to assess, improve, and validate on-farm sustainability in their supply chains. Built around a simple set of questions to farmers, the FSA standardizes farm assessment ¹¹ .
Self-Assessment Questionnaire (SAQ)	A series of questions to be completed by active management suppliers that assesses the existence of risk management controls.
Self-Assessment Questionnaire (SAQ) risk outcome	Risk outcome determine based on the self-assessed existence and quality of controls, as identified from the Self-Assessment Questionnaire (SAQ).

Key terms	Definition
SBTi	SBTi is a global body enabling businesses to set ambitious emissions reductions targets in line with the latest climate science. The SBTi defines and promotes best practice in science-based target setting, offers resources and guidance to reduce barriers to adoption, and independently assesses and approves companies' targets ¹² .
Scopes 1 and 2	Scope 1 emissions refer to direct greenhouse gas (GHG) emissions that occur from sources that are controlled or owned by an organization. This includes all land-use emissions from companies that own or control land to produce agricultural and forest-risk commodities. Scope 2 emissions refer to indirect GHG emissions associated with any purchases of electricity, steam, heat, or cooling.
Scope 3	Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly impacts its value chain. This includes the emissions linked to downstream companies where sourced commodities are being produced, through, for example, packaging, logistics, raw materials, cooling etc.
Site visit	An in-person activity conducted by Asahi to verify, by examination and evaluation of objective evidence, that applicable elements of a supplier's management systems are approved, effective and conform with the requirements of the Program.
Supplier Management Plan (SMP)	A set of specific, timebound actions for suppliers to implement to raise their performance relating to the requirements of the Program. The SMP will be developed by Asahi in consultation with the supplier and is informed by a combination of inputs such as, but not limited to, the pre-screening questionnaire, self-assessment questionnaire, third-party audits and Asahi site visits.
Third-party audit	A means of evaluating sufficient evidential matter to assess performance relative to a set of standards set by a third-party program ¹³ .
Third-party product certification	A procedure by which a third-party scheme: <ul style="list-style-type: none"> • Establishes standards or similar tools focused on one or more sustainability issues; • Measures, monitors, or verifies performance or progress against these tools; and • Allows for claims to be made by the organisation with reference to these tools¹⁴.

6



Appendices



Appendices

Related Asahi Responsible Procurement frameworks, policies and guidance material

- [Asahi Group Responsible Procurement Policy](#)
- [Asahi Group Supplier Code of Conduct](#)
- [Asahi Speak Up Policy](#)
- [Asahi Group Human Rights Principles](#)

Additional resources for Supplier Code of Conduct implementation

- [International Bill of Human Rights](#) International Bill of Human Rights which consists of the Universal Declaration of Human Rights (UDHR), International Covenant on Economic, Social and Cultural Rights (ICESCR) and the International Covenant on Civil and Political Rights (ICCPR)
- [United Nations \(UN\) Guiding Principles on Business and Human Rights](#)
- [International Labor Organization \(ILO\) Declaration on Fundamental Principles and Rights at Work](#)
- [OECD Guidelines for Multinational Enterprises on Responsible Business Conduct](#)
- [UN Women's Empowerment Principles](#)
- [UN Convention on the Right of the Child](#)
- [ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy](#)
- [UN Global Compact](#)
- [Children's Rights and Business Principles](#)
- [Convention on the Elimination of All Forms of Discrimination against Women](#)
- [International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families](#)
- [United Nations Declaration on the Rights of Indigenous Peoples](#)

Policy review

Policy review			
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