

Procurement Policy

The Tomoku Group recognizes social and environmental issues through its business activities, complies with relevant domestic and international laws and regulations based on our management philosophy, and conducts fair and equitable procurement.

1. Fair and equitable opportunities and procurement

- Provide fair competition opportunities both domestically or internationally.
- Select business partners based on a fair evaluation of not only quality, price, delivery time, stable supply, safety of products and services or sound management but also social and environmental initiatives, technical and proposal capabilities.

2. Compliance with laws and social norms

- Comply with relevant domestic and international laws and social norms.
- Strictly manage and protect the confidential information of the business partners obtained through purchasing transactions.
- Respect the intellectual properties of third parties and business partners and do not conduct transactions that infringe on such property.
- Accept entertainment and gifts with our business partners within the scope of common sense and in accordance with internal regulations.

3. Consideration for social issues

- In accordance to the Tomoku Group's "CSR Policy" and "Human Rights Policy", ensure that procurement transactions are conducted in a manner that takes account of respect for human rights, rights of workers, occupational safety and health and corporate ethics

4. Consideration for environmental issues

- In accordance to the Tomoku Group's "CSR Policy" and "Environmental Policy", ensure that procurement transactions are conducted in a manner that takes account of resource, environment and biodiversity conservation

5. Communications

- Build a long-term relationship of trust by exchanging information with our business partners and strive for coexistence and co-prosperity.
- Strive to improve our procurement activities through proper information disclosure and dialogue with stakeholders.

— Sustainable Timber/Paper Procurement Guideline

Through our corrugated container business, which is considered an excellent product of the circular economy, and our wooden housing business, which leads to the long-term carbon fixation, the Tomoku Group recognizes that its businesses depend on natural capital and that it is subject to risks in sustainable development, such as global warming and other environmental problems caused by deforestation, biodiversity degradation, and human rights issues, and is committed to sustainable and responsible procurement.

In the procurement of timber and paper, we commit to zero deforestation and give consideration to environment, biodiversity conservation and respect for human rights.

1. Gradually and preferentially purchase sustainable raw materials that have forest certification (FSC, PEFC, or other reliable certification) or originate from legally managed forests and aim to ensure that by 2030 all raw materials are such sustainable materials.
2. Ensure traceability to promote procurement from forests with sustainable forest management. Purchase only legally logged timber.
3. Monitor vendors based on our procurement policy.
4. Preferentially purchase forest certified products for office paper (copy paper, envelopes, printed materials, brochures, etc.).