

# Pacific Group Basic Procurement Policy

## **Basic concept**

Our Group is expanding its business globally and procures raw materials and parts from a wide range of suppliers around the world. The Group clearly states the concept of procurement in the "Basic Procurement Policy" and establishes specific shared items as the "Supplier Sustainability Guidelines".

In addition, as part of sustainability management, we have identified "responsible procurement" as a materiality, established KPI and are working on it.

Through these efforts, our Group will build long-term partnerships with our suppliers and build a sustainable and strong supply chain.

## **<Procurement that is open, fair and impartial, and considers society and the environment>**

Our Group will provide opportunities for transactions regardless of whether or not it has a record of transactions in Japan and overseas, and will promote procurement activities with an open, fair and impartial attitude.

When selecting our suppliers, in order to provide high-level products that meet the needs of our customers, in addition to quality, price, delivery time, labor issues, technological development capabilities, and continuous improvement, we comprehensively consider the attitude and system for tackling sustainability issues such as human rights, environmental protection, ethics and compliance etc.

## **<Partnership>**

Our Group aims to realize long-term coexistence and mutual prosperity based on mutual trust with our suppliers. In addition, we will maintain close communication with our suppliers, share business goals and issues, share results, and strengthen our integrated competitiveness.

### <Environment>

With the aim of "green procurement," our Group will build an environmental management system and actively promote the procurement of parts and materials that have a low environmental load in consideration of the product life cycle. We will also work to reduce greenhouse gas, waste and water usage, prevent pollution, and reduce environmentally harmful substances throughout the supply chain.

### <Promotion of localization aiming at good corporate citizens>

Our Group will work on local procurement as well as local production, aiming to be a good corporate citizen at our activity bases, and actively develop contribution activities in harmony with the local community.

### <Legal compliance>

Our Group respects the spirit of various laws and regulations regarding commercial transactions and conducts procurement activities in compliance with laws and regulations.

### <Business continuity>

Our Group will do its utmost to fulfill its supply responsibilities against threats to supply chain business continuity, such as material shortages, human resource shortages, disasters, and infectious diseases.