

【Supplier Relations】

《Basic Approach》

The Furukawa Company Group aims to build and maintain mutually beneficial and reciprocal trust-based relationships by exchanging information with suppliers and otherwise emphasizing communication. Here, we adhere to the principles of fairness and impartiality, comprehensive economic rationality, and the spirit of compliance with laws and confidentiality as set out in the Furukawa Company Group Basic Procurement Policies. At the same time, we collaborate with suppliers to encourage procurement activities that take CSR into consideration.

In addition, we are making efforts to procure copper ore from mines outside Japan in ways that consider the environmental impacts, labor problems, and other issues.

Please refer to the following about Furukawa Company Group Basic Procurement Policies:

https://www.furukawakk.co.jp/pdf/CSR/e/csr_20.pdf

Please refer to the following about Furukawa Company Group CSR Promotion Guidelines:

https://www.furukawakk.co.jp/pdf/CSR/e/csr_17.pdf

● Transition of CSR Procurement Initiatives			
	FY2015-2016	FY2017-2018	FY2019-2020
Policy establishment	2014 · Established Furukawa Company Group Basic Procurement Policies 2015 · Created Furukawa Company Group CSR Guidelines for suppliers · Prepared questionnaires for suppliers	2017 · Prepared additional questionnaires for suppliers	
CSR surveys	Questionnaire surveys (operating companies) Additional questionnaire surveys (operating companies) Interview surveys	2016 · Conducted questionnaire surveys (Target: Major suppliers) (Furukawa Co., Ltd.) (Core operating companies in the Machinery segment) (Furukawa Denshi Co., Ltd.) 2017 · Conducted questionnaire surveys (Subject: Major suppliers) (Furukawa Chemicals Co., Ltd.) 2017 · Conducted additional questionnaire surveys (Target: Major suppliers) (Furukawa Co., Ltd.) (Core operating companies in the Machinery segment) (Furukawa Denshi Co., Ltd.) (Furukawa Chemicals Co., Ltd.)	2018 · Conducted questionnaire surveys (Target: Major suppliers) (Furukawa Castec Co., Ltd.) (Ashio Rock Drill Co., Ltd.) (FRD Iwaki Co., Ltd.) 2018 · Conducted additional questionnaire surveys (Target: Major suppliers) (Furukawa Castec Co., Ltd.) (Ashio Rock Drill Co., Ltd.) (FRD Iwaki Co., Ltd.) 2018 · Began conducting interviews (Target: Major suppliers) 2019 · Conducted interviews (Target: Major suppliers)
Internal training	CSR and CSR procurement SDGs, ESG, other	2016 · Furukawa Co., Ltd. (Target: Purchasing Department employees) · Core operating companies in the Machinery segment (Target: section managers of Purchasing Department) · Core operating companies in the Machinery segment (Target: Purchasing Department employees) 2017 · Furukawa Chemicals Co., Ltd. (Target: Responsible person in Purchasing Department) 2017 · Core operating companies in the Machinery segment, headquarters (Target: Purchasing Department general managers and section managers) 2017 · Materials Division of headquarters (Target: Purchasing Department employees)	2018 · Furukawa Castec Co., Ltd. (Target: Responsible person in Purchasing Department) · Ashio Rock Drill Co., Ltd. (Target: Responsible person in Purchasing Department) · FRD Iwaki Co., Ltd. (Target: Responsible person in Purchasing Department) 2019 · Core operating companies in the Machinery segment (Target: Materials Division section chiefs) 2019 · Materials Division of headquarters (Target: Materials Division employees)