

## **FRANCE BED HOLDINGS Group Procurement Policy**

**Underpinned by its corporate philosophy that “France Bed aims to be an affectionate company that helps people live affluent, relaxing lives through creation and innovation,” FRANCE BED HOLDINGS Group will contribute to ensuring sound business continuity and developing a sustainable society through the promotion of the ESG management.**

**We have established the FRANCE BED HOLDINGS Group Procurement Policy premised on our recognition of supply change management as one of our major challenges.**

**We will strive to raise awareness of our fundamental stance regarding the supply chain by promulgating this Policy both internally and externally and through internal training, thereby demonstrating our commitment to complying with social norms by ensuring respect for human rights among our business partners, rejecting anti-social forces, and prohibiting corruption and bribery. On the basis of this Policy, we will work to build and strengthen positive relationships through fair and impartial business transactions.**

### **1. Fairness and Impartiality**

FRANCE BED HOLDINGS Group (also referred to as the “Our group” hereinafter) engages in fair and impartial business transactions with its business partners both in Japan and overseas.

In selecting our business partners, we take into account factors that include deadlines for payment and delivery, technological strengths, supply capabilities, operational details, initiatives to ensure environmental conservation, and respect for human rights.

We facilitate communication through our procurement activities and accordingly work to achieve mutually beneficial relationships.

### **2. Compliance with Legal and Ethical Standards**

The Our group complies with laws and regulations, ethical standards, and social norms (laws and treaties in respective countries worldwide for prohibiting child labor and forced labor, showing respect for human rights, combating corruption, etc.).

We accordingly engage in sound and impartial business transactions that take environmental conservation and occupational safety into account, while also requiring our business partners to take such matters into account.

### **3. Social Responsibility**

The Our group engages in activities that fulfill its corporate social responsibility, particularly in terms of conserving resources, protecting the environment, and respecting human rights based on CSR procurement (including green procurement).

The Board of Directors of FRANCE BED HOLDINGS provides oversight with respect to compliance with this Policy and initiatives thereof.

Established in December 2022

Approved by the Board of Directors of FRANCE BED HOLDINGS

## **FRANCE BED Group Procurement Guidelines for Business Partners**

FRANCE BED Group has established these procurement guidelines for its business partners with the aim of contributing to the creation of a better society and environment by fulfilling its corporate social responsibility through its procurement activities. We seek the understanding and cooperation of our business partners in achieving such aims and hope to serve as a good business partner in working together in promoting initiatives to such ends. As such, we ask that our business partners actively engage in initiatives relevant to each section of these Guidelines.

Moreover, we seriously consider this Policy in making decisions on whether or not to engage in business transactions, and also include such content in our contracts.

### **1. Compliance with Laws, Regulations and Social Norms**

Comply with laws and regulations of countries and regions in which business is conducted, and furthermore adhere to international treaties and social norms.

Develop policies, frameworks, guidelines, instruction and other such mechanisms for the sake of ensuring such compliance.

Do not maintain any connections whatsoever with anti-social forces that threaten social order, safety, and security, and do not accede to inappropriate demands.

### **2. Fair Business Activities**

Engage in equitable and impartial business transactions based on relationships of mutual trust.

Do not engage in conduct associated with providing or accepting illicit gains, conflicts of interest, or corrupt practices.

Do not engage in acts constituting misuse of insider information or infringement of intellectual property.

Develop whistleblowing systems for ensuring prevention and early detection of legal violations and wrongdoing, and furthermore investigate and strive to resolve matters in the event that an issue has occurred. Stringently safeguard confidentiality of details reported and ensure that those filing reports are not subjected to any form of detrimental consequences whatsoever.

When it comes to resources, raw materials, and other inputs used in the course of engaging in business activities, strive to enlist use of items produced in a manner that takes the social environment into consideration, and do not use items whose production has involved forced labor, illegal deforestation, mining of conflict minerals, or other such wrongful practices.

### **3. Respect for Human Rights**

Adhere to international standards relating to human rights and labor, while also respecting laws and

regulations of countries and regions in which business is conducted, as well as traditions and practices thereof.

Respect fundamental human rights and accordingly do not discriminate on the basis of attributes such as nationality, race, ethnicity, gender, age, religion, disability, illness, or sexual orientation. Enlist hiring practices based on principles of equal opportunity and accordingly do not engage in behavior constituting mental or physical violence, defamation, or harassment in any relationship whatsoever.

#### 4. Healthy Working Environment

Do not enlist use of labor of children not yet of minimum employment age or involuntary forced labor, in accordance with laws and regulations of countries and regions in which business is conducted.

Engage in practices with respect to wages and working conditions that entail preventing long work hours and excessive work through use of an attendance management system, guaranteeing wages that exceed the minimum wage, and respecting workers' freedom of association and rights of collective bargaining.

Seek to prevent accidents and calamities by creating safe and clean work environments where all employees are able to work with peace of mind, and by establishing safety management systems.

#### 5. Consideration for the Environment

Seek to mitigate environmental impact attributable to business activities by taking steps to reduce greenhouse gas emissions through initiatives that involve making effective use of resources and energy, promoting use of renewable energy, and promoting efforts to recycle resources through 3R practices (reduce, reuse, recycle).

Seek to reduce consumption by making effective use of limited resources such as water and raw materials.

Take steps to conserve biodiversity while striving to make effective use of resources, in part by reducing pollutants and waste generated by business activities and also by engaging in initiatives for achieving sustained improvement through development of management systems.

#### 6. Information Security

Prevent unauthorized access and data breaches involving confidential information by striving to appropriately manage and protect personal information, customer information, and other such confidential information obtained through business activities.

7. Crisis Management

Develop a business continuity plan (BCP) for ensuring continuity of corporate activities by promptly and appropriately taking action in the event of massive calamity, serious accident, or other such contingency.

8. Promotion of Compliance across the Supply Chain

Share these Guidelines and promote compliance with these Guidelines throughout the entire supply chain. Moreover, confirm compliance and administer questionnaire surveys as necessary.

Established in December 2022