



Fair and Transparent Transactions

Reasons for selecting materiality

FSG places an emphasis on performing transactions with our customers and business partners with us with peace of mind. We consider it important to realize fair and transparent transactions with business partners carefully selected from comprehensive perspectives based on respect, not only of prices but also quality management and quality assurance system, together with experience, past performance, social factors.

Regarding the KPI of the Materiality

We will fulfill our responsible manufacturing and consumption form based on social consideration shared with major business partners by obtaining their consent to our Group Supplier Conduct Policy (Request to Our Business Partners) in line with our vision.

Qualitative target	KPI (Key Performance Indicator) up to 2023	Actual figures (as of March 31, 2022)	Main Initiatives	Value to Society
<ul style="list-style-type: none"> Establish responsible, socially conscious manufacturing and consumption systems based on relationships of mutual trust and development with all business partners 	<ul style="list-style-type: none"> Through the "Sustainable Supply Chain Questionnaire" ensure that our major business partners who account for 80% of FSG's procurement consent to our "Requests for FSG Business Partners" 	<ul style="list-style-type: none"> Response to the Sustainable Supply Chain Questionnaire based on FSG's business partners who account for 80% of procurement amount 89% in Japan 80% in the Americas 70% in Europe 93% in the ASEAN region 	<ul style="list-style-type: none"> Establishment and operation of the Group Sustainability Committee Establishment and revision of Group policies Implement the Sustainable Supply Chain Questionnaire internationally In-house procurement training aimed at purchasing personnel 	<ul style="list-style-type: none"> Protection of our business partners' rights Responsible manufacturing and consumption forms (raw materials, procurement, manufacturing, sales and consumption) Sound corporate activities that serve as a model for others Respect for human rights

Initiatives up to 2021 and subsequent initiatives for achievement

The "FSG Sustainable Supply Chain Guidebook" defines the standards established in accordance with the "FSG Code of Ethics" and "Requests for FSG Business Partners (Group Supplier Policy for Action)." In order to promote actions of whole supply chain, we also provided 117 supply chain procurement personnel participants in Japan, the Americas, Europe, and ASEAN region with an online lecture based on the Sustainable Supply Chain Guidebook. (100% participation of supply chain procurement personnel)

From 2020, the Sustainable Supply Chain Questionnaire has been conducted to confirm our business partners' alignment with our policies, monitor ESG initiatives, assess supply risks, and resolve any relevant issues. In 2021, it was conducted to major suppliers related to the Shrink Sleeve Labels, Self-adhesive Labels / Pressure Sensitive Labels (PSL), Spouted pouch and Machinery businesses in Japan, the Americas, Europe, and ASEAN countries and where necessary additional information was requested. We will continue striving to fulfill responsible forms of manufacturing.

VOICE

Voices of Regional Sustainability Secretariats

As customers have expressed high expectations for our sustainability initiatives, the implementation of the Sustainable Supply Chain Questionnaire during FY2021 was a good opportunity to reaffirm the importance of fair and transparent business transactions. We will continue to work with our business partners to promote sustainable supply chain practices with the aim of earning our customers' trust on Fuji Seal's products and services.



Yuki Hori
Corporate Administration Section, Corporate Administration Department
Fuji Seal Administrative Headquarters

Fuji Seal is strongly committed to contributing to the realization of a sustainable society, and has set a very ambitious Environment & Society and Governance roadmap towards 2025. One of the key element to succeed this roadmap is to share our ESG vision with our suppliers and work closely with them towards always more fair & transparent transactions. The Questionnaire and the discussion we have successfully initiated with our major European suppliers will be a key milestone of this journey.



Thomas Lajouanie
General Manager-Sales operations & ESG

We greatly appreciate our partners that participated in this new initiative for the Americas. Fuji Seal greatly values the feedback that we get and looks forward to continued improvement in participation and especially the aspects to ensure that we promote a climate of sustainable growth through cooperation for mutual benefit with our partners.



Steve Hazle
Director of QA, Field Services and HR American Fuji Seal

I believe it was important to conduct our Sustainable Supply Chain Questionnaire as the world has undergone drastic changes after February 2022. It is essential to conserve resources such as fossil fuels and rare minerals, and in addition to developing alternative energy sources such as renewable energy and hydrogen energy, we must first prioritize the promotion of resource recycling. The results of the questionnaire show a desire to build cooperation with regards to recycling. While keeping a close eye on the global situation, we will use the questionnaire as an opportunity to further promote all efforts to promote environmentally friendly initiatives.



Kazuchika Shihara
FSPT Executive Vice-President

* As of March 2022