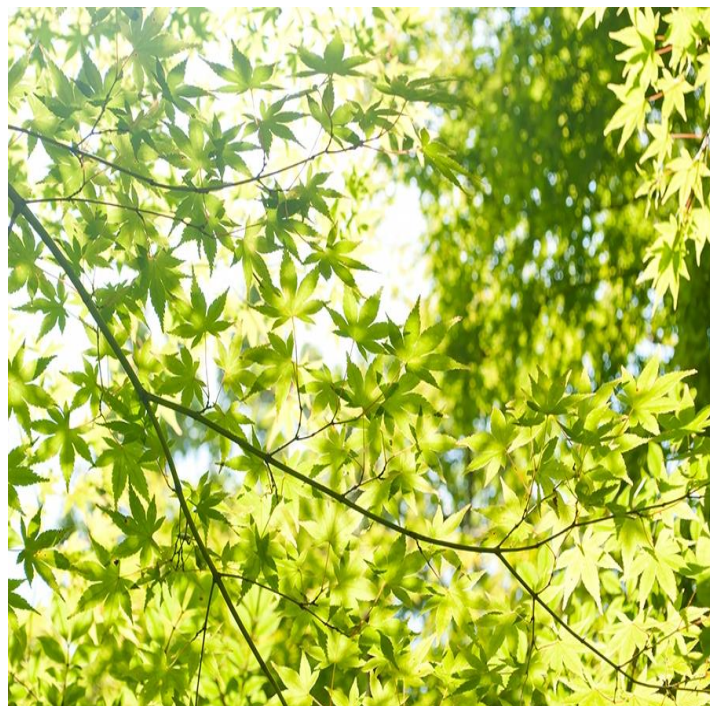


# Nissho Group Green Procurement Standards



Revised on April 1, 2019 (Edition 11)

**Nissho Corporation**

# 【Contents】

## Contents

- 1. Environmental Policy ..... 3
- 2. Objective and scope of green procurement standards ..... 3
- 3. Definitions of Terms ..... 4
- 4. Requests to Suppliers ..... 5
- 5. Contact ..... 7
- 6. Establishment and Revision ..... 7

# 1. Environmental Policy

## <Basic principle>

Recognizing that the environmental preservation is one of the greatest challenges of our time, we are going to fulfill our social responsibility commitments by promoting environmental preservation and contributing effectually toward building the recycling-based society through our business activities.

## <Slogan>

Considering the environmental preservation, we will provide products and services to fulfill our social responsibility commitments.

1. We will continuously enhance our environmental performance by adopting the environmental management system and engage in prevention of contamination.
2. We will observe the legal requirements and other requirements agreed upon by us.
3. We will make ever effort to promote resource conservation, energy saving and recycling activities, reduce industrial waste and minimize the materials with environmental burden. Also, we will offer proposals in a timely manner by procuring environmentally friendly products and collecting useful information through our Three-New Activities, that is, the activities aiming to develop "new" products, create "new" application and generate "new" demand.
4. We aim to reduce:
  - The industrial waste
  - The remaining stock

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August 1, 2016

**Atsushi Ukon**  
President

## 2. Objective and scope of green procurement standards

### Objective

Nissho Group, aiming to minimize the environmental impact of its business activities, purchases "biodiversity-conscious" products and materials (from raw materials to production equipment) with less environmentally hazardous substances to deliver products that meet the requirements of our customers. In addition, we promote procurement from suppliers that positively promote the product environmental quality and conduct the "responsible conflict minerals survey". Thus, we will fulfill our social responsibility as a company.

### Scope

This standard will apply to the procurement of all products, materials, and materials in Nissho group.

### 3. Definitions of Terms

- **Chemical Substances Survey Sheet (A-3)**

A form which suppliers use to report the presence or absence of substances prohibited or controlled by Nissho Group. The Chemical Substances Survey Sheet is reviewed at least once a year and is revised if necessary.

- **Customer requirements**

Green Procurement Standards, guidelines and guidance established by each customer

- **4M change management**

When you need to change 4M (Material, Method, Machine, Man), immediately report us in a format in accordance with the 4M change regulations of customers or ours. You cannot change 4M until you obtain approval from the customers.

- **Analysis data**

RoHS halogen analysis data measured by a third party. The analysis data contains an analysis flowchart of completely dissolved halogen.

\*The data submitted are basically valid unless 4M is changed. Upon request of the customers, we may ask you to prove no-change of 4M or update the data.

- **Environmental accident**

A situation in which: any substances prohibited or restricted by the customers are mixed into delivered products or misused; wrong products are delivered; the products are used for the purposes prohibited by the customers; or the products do not meet the customer requirements.

\*The environmental accident not only causes the customers so much trouble but also discredits the companies and invite sanctions, influencing their destinies.

Preventing such an accident is the top priority. If any accident occurs, contact us and your management and suppliers.

- **Biodiversity**

Biodiversity means not only a variety of living organisms in a biome or ecosystem or on earth but also a diverse gene pool inherited from the past to the future in the course of evolution. It is also known as "biological diversity".

- **Responsible conflict minerals survey**

The Dodd-Frank Act of 2010, under which the U.S. Securities and Exchange Commission requires public companies to disclose their use of tin, tantalum, tungsten and gold (originating from the Democratic Republic of the Congo and its neighboring countries). Today, the Act, spreading globally, has been changed to the survey to eliminate serious human rights violations (slave/child labor) arising from mining, regardless of world's conflict zones and types of minerals.

## 4. Requests to Suppliers

### 4.1 Product environmental quality

For the purchase of environment-friendly products and materials, Nissho Group requests the suppliers to comply with the Environmental Quality Standards specified in “Nissho Group Green Procurement Standards”.

When starting business with you, we will provide you “Nissho Group Green Procurement Standards”. Please submit an agreement on “Nissho Group Green Procurement Standards” to us.

If necessary, we will perform the environmental quality audit to check your quality control conditions. We ask for your cooperation.

### 4.2 Management of Chemical Substances Contained in Products

We request the suppliers to build a system to appropriately control chemical substances contained in process materials and secondary materials that may affect our products and other products.

We will request you to submit the following documents. In addition, the customers may request you to submit other documents as necessary.

#### 【Documents to be submitted】

- “Nissho Chemical Substances Survey Sheet (A-3)” (①-1/①-2 Specified Chemical Substances Data Sheet; ② Table of Composition and Ingredients)
- JAMP AIS Format <chemSHRPA for AI articles>  
(or MSDS plus format <chemSHRPA for CI chemicals>)

#### 【Documents to be submitted as necessary】

- SDS (Safety Data Sheet; GHS SDS for chemical substances/mixture)
- Analysis data of RoHS restricted substances
- Halogen analysis data
- Format designated by customers
- Other formats to report chemical substances in products (JGPSSI, JAMA sheet, IMDS; newly developing formats)

### 4.3 Supply Chain Management

We request you to build and maintain a system for the Product Environmental Quality Control specified in “Nissho Group Green Procurement Standards”.

- Education and training: Provide education and training to familiarize the departments and personnel concerned with the latest laws and regulations and the customer requirements.
- Communication: Make your suppliers and outsourcing contractors know and comply with the customer requirements

- Internal audit: Conduct an internal audit at least once a year to check maintenance and management conditions of the environmental quality assurance system. Then report the result to your management to seek direction. (Management review)
- Change management: If you require any change, make sure to report to Nissho. You can make the change only with the approval of the customers. Give priority to your customer requirements for the change.
- Operations management: Control the processes for materials and equipment from acceptance to shipping to ensure product traceability.
- Corrective and preventive action (when a non-conformity occurs)
  - ① Remove non-conforming products and take an appropriate measure.
  - ② If the non-conforming products are already shipped or delivered, contact us immediately.
  - ③ For recurrence prevention, identify the cause and the inadequacy of the system.
  - ④ Take preventive measures against non-conformity.
- Document management: Manage the documents on chemical substances contained in products as follows:
  - ① Provide the latest versions to the departments concerned.
  - ② Maintain the document management records.
  - ③ Retain the data relating to environment for whichever is longer: for ten years after preparing the document and getting the record; or for a period of time required by the law

\*We may check your operations management by using an audit check sheet..

#### **4.4 Compliance with Customer Requests**

We may request you to comply with the customer requirements including the customer's Green Procurement Standards as well as "Nissho Group Green Procurement Standards". Comply with the customer requirements as priority.

#### **4.5 Legal Compliance**

In the case of international trade, comply with the laws of the country concerned.

#### **4.6 Global Environment Conservation**

Comply with "Nissho Group Green Procurement Standards" and reduce carbon dioxide emissions to build a green production system.

## 5. Contact

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TEL: +81-3-5434-6401

## 6. Establishment and Revision

Established on: April 27, 2006

Revised on: October 16, 2006 (First edition)

Revised on: May 1, 2008 (Second edition)

Revised on: September 1, 2009 (Third edition)

Revised on: April 1, 2010 (Fourth edition)

Revised on: December 1, 2010 (Fifth edition)

Revised on: October 18, 2012 (Sixth edition)

Revised on: June 1, 2015 (Seventh edition); totally revised to suit the present conditions

Corrected on: May 18, 2016 (Seventh edition);

- add “form No.” as findings of JQA

- don't distribute to suppliers, because there is no change(only add No)

Revised on: September 1, 2016 (Eighth edition); Environmental Policy revision conforming to ISO 14001;2015

Revised on: September 1, 2017 (Ninth edition);

- change of organization

- change of chemical substance transfer tool

Revised on: April 1, 2018 (Tenth edition);

- change of organization

Revised on April 1, 2019 (Eleventh edition)

- Sentences added to “Objective” of “2. Objective and scope of green procurement standards”
- “Biodiversity” and “Responsible conflict minerals survey” added to “ 3. Definitions of Terms”
- This revision is based on “Nitto Group Green Procurement Standards Sixth Edition”.