

Green Procurement Guideline

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Yamaichi Electronics Co., Ltd.

Environment Administration Department

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Environmental Policy

Commitment

At Yamaichi Electronics Group, we believe that the preservation of a global sustainable environment is an imperative issue for all humanity.

We operate our companies in such a way that we contribute to a more sustainable future.

Basic Guidelines

Under the slogan of "Green Earth for Tomorrow", Yamaichi Electronics Group is committed to conducting the following.

1.Practice of environmental management activities

Yamaichi Electronics Group practices the environmental management activities to minimize waste, conserve energy, and reduce the potential environmental impact of our products and services.

2.Continuous improvement and pollution prevention

At Yamaichi Electronics Group, internal audit processes are taken to continuously improve the hazardous chemical substances control, the environmental management activities and ensure that waste minimization, energy conservation and recycling are adequately practiced.

3.Compliance with environment-related regulations

Yamaichi Electronics Group complies with the environment-related laws and/or regulations issued by the involving countries and/or communities and meets the requirements regarding environmental issues from stakeholders and/or third parties upon mutual agreements.

4.Promotion of educational program on environment

Yamaichi Electronics Group promotes the educational program to encourage the employees to conserve energy, reduce waste and proactively commit themselves to preserving a sustainable environment.

5.Preservation of Biodiversity

Yamaichi Electronics Group considers the impact of its business activities on biodiversity and strives for the preservation and sustainable use of biodiversity.

6.Yamaichi Electronics Group makes its Environmental Policy public.

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Section 1 Overview

1. Purpose

This guideline shall set forth clear rules in control of environment-affecting substances for the statutory compliance of the Yamaichi Electronics Group (hereinafter referred to as "Yamaichi Electronics") and a reduction in environmental loads.

2. Scope of Application

2.1 The guideline shall apply to raw materials and parts that construct all the products of Yamaichi Electronics and substances used for the production stages of the products.

2.2 The guideline shall apply to production facilities located in all countries as well by taking the situation of each county into consideration and in consultation with Yamaichi Electronics' staff in charge of facilities.

3. Promotion of Green Procurement

Yamaichi Electronics has been attaching importance to the technology, quality, cost, and delivery smoothness (TQCD) of goods procured. Yamaichi Electronics attaches importance to the environment-friendliness (E) of all goods as well, and give priority to suppliers who can provide goods with excellent E even if they receive evaluations equal to other suppliers in terms of TQCD.

(1)Yamaichi Electronics gives priority to the procurement of raw materials and parts with low environmental loads for the life cycle of each product (i.e., the respective stages of procurement, production, use, and disposal).

(2)Yamaichi Electronic establishes a good partnership with each supplier for the solution of common action assignments.

4. Definitions of Terms

(1)Inclusion: The act of adding, filling, mixing, or attaching any substances to, into, or with raw materials or parts, i.e., a state where the substances remain in them intentionally or unintentionally.

(2)Intentional use: The use of any substances used for production stages on purpose for the maintenance of the performance, appearances, and quality of any products.

Section 2

Matters Required from Suppliers and Control Standards

1. Management of Environment-related Substances

1.1 Prohibited Inclusion of Substances

Raw materials or parts shall not include any prohibited substances specified in table 1 (intentionally or unintentionally).

1.2 Prohibited Use of Substances

The production or processing stages of raw materials or parts shall not use any prohibited substances specified in table 2.

1.3 Substances under Control

There are no restrictions on the inclusion or use of any substances under control specified in table 3 or substances of very high concern (SVHC) specified by the Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH). The inclusion or use of them, however, may be prohibited in the future as a result of the change of law or social conditions. Therefore, the provision of information on any type of product under the following conditions is appreciated.

- (1)The use or inclusion of any of the substances is already known.
- (2)The REACH SVHC content rate is in excess of 1,000 ppm of the total mass.

2. Suppliers' Environmental Arrangements

2.1 Requirements of Environmental Management System

- (1)The acquisition of a third party's certification, such as ISO14001 or Eco Action 21 certification, is desirable.
- (2)The following arrangements are required from each supplier if the above acquisition is difficult.
 - a) Establishment of a corporate philosophy and policy for environment protection.
 - b) Establishment of an organization to promote environment protection with a policy and plan made to attain its goal.
 - c) Establishment of an environmental management system.
 - d) Education and enlightenment of its employees (including temporary employees).
 - e) Promotion of the purchase of environment-friendly products and raw materials.
 - f) Establishment of a management system of environment-related substances.

2.2 Management of Supply Chain (including Secondary and Tertiary Suppliers)

Secondary and tertiary suppliers are subcontractors that are commissioned to undertake part of suppliers' jobs (e.g., plating and printing). Each supplier shall be responsible for the environmental management systems of its subcontractors.

2.3 Provision of Information

The provision of the following information is required as needed from each supplier.

- (1)Green Procurement and Evaluation Sheet
The presentation of its environmental management system is required.
- (2)Green Procurement and Report on Products Containing Toxic Substances
The presentation of the report is required in the case of using raw materials or parts that contain prohibited substances, substances under control, or REACH SVHC, or in the case of using prohibited substances for production stages.

(3)Green Procurement Certificate

The presentation of the certificate is required in the case of using raw materials or parts that do not contain prohibited substances, substances under control, or REACH SVHC, or in the case of not using prohibited substances for production stages.

3. Environmental Quality Inspection

Suppliers may be subject to environmental quality inspection.

4. Revision of Green Procurement Guideline

This guideline is subject to change without notice.

Table1_Prohibited Inclusion of Substances

JGPSSI Substance Number

- *1 Carbon chain length: Short-chain chlorinated paraffins of 10 to 13.
- *2 A substance generating specific amine shall not be used for parts not in contact with the skin directly for a long time.
- *3 Substances falling under Class II are not prohibited by the Montreal Protocol, but Yamaichi Electronic prohibits them.
- *4 Control standards shall be specified by the Green Procurement and Purchase Specifications (H104515-001) and Packing Material Purchase Specifications (H101663-001).

	Classification No.	Substance
1	A05	Cadmium and its compounds*4
2	A07	Hexavalent chromium and its compounds*4
3	A09	Lead and its compounds*4
4	A10	Mercury and its compounds*4
5	A17	Tri butyl tin oxide (TBTO)
6	A18	Tri butyl tins, Tri phenyl tins
7	B02	Poly brominated biphenyls (PBBs) *4
8	B03	Poly brominated diphenyl ethers (PBDEs) *4
9	B05	Poly chlorinated biphenyls (PCBs)
10	B06	Poly chloro naphthalenes (Cl=>3)
11	B07	Poly vinyl chloride (PVC)
12	B09	Short chain chlorinated paraffins*1
13	C01	Asbestos
14	-	Amines
15	C02	Azo colorants*2
16	C04	Ozone depleting substances (Montreal Protocol Annex A, B, E and ClassII)*3
17	C05	Phthalates
18	C06	Radioactive substances
19	-	Formaldehyde
20	-	Hexachloro benzene
21	-	Aldrin
22	-	Dieldrin
23	-	Endrin
24	-	Dichloro-diphenyl-trichloro ethane, Chloro phenothane
25	-	Chlordanes

	Classification No.	Substance
26	-	N, N'-ditolyl-p-phenylene diamine N-tolyl-N'-xylyl-p-phenylene diamine N, N'-dixylyl-p-phenylene diamine
27	-	2, 4, 6-Tri-tert-butylphenol
28	-	Toxaphene
29	-	Mirex
30	-	Kelthane
31	-	Hexa chloro butadiene
32	-	2-(2H-benzo Triazol-2-yl)-4, 6-di-tert-butylphenol
33	-	White phosphorus
34	-	Benzidine
35	-	4-amino diphenyl
36	-	4-nitro diphenyl
37	-	Bis (chloro methyl) ether
38	-	Beta naphthyl amine
39	-	Rubber paste that contains benzene
40	-	1, 2-dichloro ethane
41	-	Vynilidene dichloride
42	-	Cis-1, 2-dichloro ethylene
43	-	1, 3-dichloro propene
44	-	Dichloro methane
45	-	Tetrachloro ethylene
46	-	1, 1, 1-Trichloro ethane
47	-	1, 1, 2-Trichloro ethane
48	-	Trichloro ethylene
49	-	Benzene
50	-	Perfluoro octane sulfonates (PFOS)
51	-	Cobalt dichloride
52	-	Monomethyl dibromo diphenyl methane
53	-	Di-u-oxo-n-butyl tin hydro xyborane
54	-	Pentachloro phenol
55	-	Monomethyl tetrachloride diphenyl methane
56	-	Monomethyl dichloro diphenyl methane

Table2_Prohibited Use of Substances

	Substance
1	White phosphorus
2	Benzidine
3	4-amino diphenyl
4	Amosite
5	Crocidolite
6	4-nitro diphenyl
7	Bis (chloro methyl) ether
8	Beta naphthyl amine
9	Rubber paste that contains benzene
10	Ozone depleting substances (Montreal Protocol Annex A, B, E and ClassII)
11	Chloroform

Table3_Substances under Control

JGPSSI Substance Number

*1The classification of each type of metal includes compounds.

*2The classification of nickel, however, excludes compounds (e.g., stainless steel).

	Classification No.	Substance
1	A01	Antimony and its compounds
2	A02	Arsenic and its compounds
3	A03	Beryllium and its compounds
4	A04	Bismuth and its compounds
5	A11	Nickel and its compounds*2
6	A13	Selenium and its compounds
7	B08	Brominated flame retardants: Except PBBs, PBDEs
8	A16	Magnesium and its compounds
9	D01	Copper and its compounds
10	D02	Gold and its compounds
11	D03	Palladium and its compounds
12	D04	Silver and its compounds