

Green Procurement Guideline

July 2019

13th Edition



Nagano Japan Radio Co., Ltd.

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1. Introduction

As main issues in corporate management in Nagano Japan Radio Co., Ltd. (hereinafter "NJRC"), we have defined an Environmental Policy as described in Section 2 and have been working on the prevention of environmental pollution through proper control of chemical substances used in our products or establishment of a recycling-oriented economic society, through reducing and recycling of waste.

In April 2004, we established a "Green Procurement Guideline" and have been promoting activities of green procurement, in order to provide environmentally friendly products.

After that, WEEE Directive, RoHS Directive, China RoHS (*1) and the like came into force and environmental restrictions were strengthened on a worldwide basis.

Furthermore, owing to REACH Regulation (*2), we are requested to identify and control many more chemical substances than before.

Under these circumstances, we revised our "Green Procurement Guideline" and issued the 13th edition.

In order to execute the obligation and responsibility for environmental conservation (preservation), we desire to advance together with your support and your cooperation.

We appreciate your continuous understanding and assistance.

Purchasing Dept.
Core Technology Center
Nagano Japan Radio Co., Ltd.

- *1) WEEE: Directive of the European Parliament and of the council on waste electrical and electronic equipment, effective on August, 2005.
 - RoHS: Directive of the European Parliament and of the council on the restriction of the use of certain hazardous substances in electrical and electronic equipment, effective on July, 2006. It was revised in July, 2011 and called "RoHS2" and so on.
 - China RoHS: Administrative Measure on the Control of Pollution Caused by Electronic information Products, effective on March, 2007.
- *2) REACH regulation: Regulation of the European Parliament and of the council on Registration, Evaluation, Authorization and Restriction of Chemicals, effective on June, 2007.

2. Environmental Policy

Nagano Japan Radio Group shall promote all our business activities with deep recognition of the importance for global environmental preservation and shall aim for the realization of a sustainable society, based on the following principles.

1. We shall conduct our business activities in compliance with domestic and international laws and regulations as well as our original standards to prevent environmental pollution.
2. We shall actively disclose information about our environmental activities, in order to broaden communication with society.
3. We shall assess the environmental impact of our products throughout their whole life cycles, in order to create environmentally burdenless products.
4. We shall actively operate our environmental management system and continuously improve environmental performance.
5. We shall endeavor to effectively utilize resources and reduce environmental burden through activities for energy and resources saving and recycling to reduce greenhouse gas emission, hazardous substances, waste products etc.
6. We shall promote our business activities in consideration of biodiversity and shall promote CSR activities in order to realize a society co-existing with nature.
7. We shall enhance the environmental awareness of all employees in NJRC Group through environmental education and awareness program and shall promote environmental activities throughout the organization.

3. About Green Procurement

3.1 Purpose

By providing environmentally friendly products to society, we desire to make a contribution to environmental conservation.

The purpose of this guideline is to promote the procurement of more environmentally friendly materials and products from our business partners who cooperate and work on environmental conservation activities with NJRC and to prevent the occurrence of problems after delivery to our customers.

3.2 Scope

This guideline applies to the following parts and materials to be supplied to NJRC;

- (1) Raw materials, parts, completed products, outsourced products that are manufactured, packing materials, processed and repaired by subcontractors, and subsidiary materials that are used in the process of manufacturing.
- (2) Products which are designed and manufactured by consigned-manufacturers and are sold under NJRC's brand.

3.3 Guidelines

Substances contained in parts and materials that are classified in accordance with IEC62474 ^{(*)3} and are restricted by NJRC are controlled in the following two categories as specified in the "Green Procurement - Environmentally Hazardous Substance List" (specified separately). In addition to the present procurement standards related to QCD, we would like you to understand this guideline and proactively disclose environmental information

(1) Prohibited substances

Prohibited substances refer to substances in which the use to products is prohibited or restricted in accordance with the domestic or foreign laws and regulations and restricted by NJRC. These prohibited substances should not be contained in parts and materials to be supplied to NJRC. Some of such substances, however, partly have exempted application.

(2) Controlled substance

Controlled substances refer to substances that are requested to be surveyed on the actual status of the contents of the substances, by the domestic or foreign laws and regulations. These substances are not prohibited in parts and materials to be supplied to NJRC. But appropriate information on the contents must be controlled and disclosed.

Although the substance, the application or the acceptable level is not specified in this guideline, we should comply with laws and regulations when restricted internally or externally.

We also should follow customer's certain requirements in addition to this guideline if required.

*3) IEC62474: International Standard that specifies requirements needed for the exchange of chemical substances included in the electrical and electronic equipment, issued March, 2012

4. Green Procurement Survey

(NJRC requirements to our business partners)

Our business partners are required to carry out systematic environmental conservation activities and continuous improvements, in accordance with our Environmental Policy. Also, in order to promote Green Procurement, our business partners may be requested to support us in responding to surveys on the contents of chemical substances contained in parts and materials to be supplied to NJRC.

4.1 Survey on environmentally hazardous substances

Please provide substance information using all or part of the following forms.

- (1) chemSHERPA
Communication tool recommended by the Ministry of Economy, Trade and Industry (METI), for transferring information on chemical substances contained in products.
For more information, visit URL: <https://chemsherpa.net/>
- (2) Survey based on individual requirements from customers
Some individual forms may be provided by our customers. Please contact the person in charge in NJRC about how to prepare the information.

4.2 Certificate of Nonuse

According to the compliance with applicable laws and regulations, you may be asked to provide the “Certificate of Nonuse of Hazardous Substances”.

4.3 Information/Data Updating

When substances are changed by employing different parts and materials to your products, or an unreported substance is newly founded, the existing information/data needs to be revised and informed to us immediately.

4.4 Data handling

Information on chemical substances we receive from you may be used within the group of Japan Radio Co., Ltd, for only the purpose of verifying the environmental impact or as basic data for communication with our customers.

For further information about this guideline, please contact;

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Revisions

Rev. No.	Date	Description
1	4/ 2004	Issued.
2	8/2005	<ul style="list-style-type: none"> - Change contact person according to the new organization - Page 6/7, add [Exception in Application]
3	11/2005	<ul style="list-style-type: none"> - Editorial change - Establish environment regulation NJS-E-xxx
4	2/2006	<ul style="list-style-type: none"> - Add prohibited-substance requested from customers - Change cadmium permissible content level 100ppm to 75ppm
5	7/ 2006	<ul style="list-style-type: none"> - Section name: from Technical Management Center to Technical Management Dept. - Table 2 – Change substances in exception application list - Form 3 – Change Pb free survey form
6	9/2006	<ul style="list-style-type: none"> - Table 1 – Revised. - Delete Phthalate acid esters - Table 5 – Added.
7	11/2006	<ul style="list-style-type: none"> - Green Procurement Survey tool – version 3.11 - Delete <ul style="list-style-type: none"> • Form 4 “Contents of Environmental Controlled Substances” • Form 5 “ICP Data” • Form 6 “Raw Material Survey” - Add Form 4 “Certificate of Nonuse of Hazardous Substance”.
8	11/2007	<ul style="list-style-type: none"> - Clause 4.1, (1) – Change website from JEITA to JGPSSI - Add “1,1,2 trichloroethane” to Table 1 (Prohibited Substances) - Add “PFOS”, “PFOA” and “2-(2H-1,2,3-Benzotriazole-2-yl)-4,6-di-tert-butylphenol“ to Table 4 (Other Controlled Substances) - Change version of Form 1 to Ver 3.23 - Add column for series to Form 1 and 2
9	4/2010	<ul style="list-style-type: none"> - Wholly revised according to compliance with updated environmental laws and regulations, and JIG.
10	4/2014	<ul style="list-style-type: none"> - Delete names of managers and general concept - Revised “Environmental Policy” - The standard of a managed substance is changed into IEC62474 from JIG.

11	4/2015	<ul style="list-style-type: none"> - 3.1 Add "Prevent the occurrence of problems after delivery to our customers." 3.1 Add "Prevent the occurrence of problems after delivery to our customers." - 3.3 Add "Substances contained in parts and materials that are restricted by NJRC" - 3.3 (1) Add "Prohibited substance is substances and restricted by NJRC." - Change inquiry Fax No.
12	8/2017	<ul style="list-style-type: none"> - Table of contents 4.1 “environmental load” was changed to “environmentally hazardous”. - Section 1, “have gravely been enforced” was changed to “were strengthened on a worldwide basis”. - Section 1, addition of phrase “ have defined an Environmental Policy as described in Section 2”. - Section 2. Environmental Policy was revised. - Department name was added and changed : Standardization Center changed to Core Technology Center. - Section 3.3, “Environmental Load” was changed to “Environmentally Hazardous” - Section 3.3, “In addition to the present procurement standards related to QCD” was brought to the beginning of the phrase. - Section 4. Green Procurement Survey, first paragraph was revised. - Section 4.1, “environmental load” was changed to “environmentally hazardous”. - Section 4.1 Survey on environmentally hazardous substances, (1) chemSHERPA paragraph was added. - Section 4.1 (2) (Note: Can not be used after July 2018) was added. - Section 4.1 (2) “contained substance” was changed to “chemical substances contained in products” - Section 4.4 “substances” was changed to “chemical substances” - Contact fax number was changed.
13	7/2019	<ul style="list-style-type: none"> - Section 3.2 (1) Addition of Packing materials. - Section 3.2 (2) Deleted all phrase. - Section 4.1 (1) Deleted the phrase “From August 2018, the system will switch from AIS to chemSHERPA” - Section 4.1 (2) Deleted all phrase. - Section 4.4 Deleted “Environmental Promotion Team”