



DIAMOND ELECTRIC Group  
**Green Procurement Guidelines**



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First Edition

## table of contents

I.	Introduction .....	1
II.	Environmental Policies .....	2
III.	Green Procurement .....	3
IV.	Request to suppliers .....	4
	1. Request for supplier's environmental management .....	4
	(1) Construction of environmental management system .....	4
	(2) Compliance with the law .....	4
	(3) Promotion of Voluntary Environmental Improvement Activities such as Energy, Waste, and Transportation Measures .....	4
	(4) Information provision .....	4
	2. Request for products etc. to be delivered to our company .....	4
	(1) Our company's initiatives .....	4
	(2) Prohibited inclusion of prohibited substances .....	4
	(3) Survey of contained chemical substances .....	4
	(4) Packing and packaging materials delivered to us .....	5
	(5) Reduction of greenhouse gases and packaging materials related to logistics .....	5
	(6) Responding to conflicting minerals .....	6
	(7) Method of describing submission documents and related remarks .....	6
	(8) The case of a change in information on chemical substances contained in products .....	7
	(9) When additions / changes occurred to the standards of external organizations quoted in the attached table .....	8
	(10) Response to review .....	8
	(11) Response at the time of this revision .....	8
	(12) Confidentiality .....	8
V.	Glossary .....	9
	(1) Products .....	9
	(2) Environmentally hazardous substances, chemical substances .....	9
	(3) Other substances requiring information transmission .....	10
	(4) Content or to contain .....	10
	(5) Impurities .....	10
	(6) Homogeneous material .....	10
	(7) Allowable concentration .....	10
	(8) Exemptions .....	10
	(9) Limit .....	10
VI.	Appendix .....	11

## I. Introduction

# Aiming to become a good corporate citizen well trusted by society

Each and every one of us deeply understands our mission towards the planet, and we are conducting business and developing products in line with our philosophy. Carefully utilizing limited resources and conserving the environment is the root of our social responsibility, we are making every effort to realize a recycling-oriented society.

Based on the "Diamond Environmental Policy" and with the entire company standing behind its theme of "Kindness to the Planet," each and every one of our employees voluntarily participates in energy reduction and recycling activities in order to achieve zero-emissions by the end of 2010. In addition to the improvement of our own production technologies toward the elimination of lead, we are also working to propose such measures to our corporate partners. New challenges are also being faced such as with our participation in local cleanup activities.

Diamond Electric will, through these activities, improve its corporate value and build good relations with all its stakeholders including shareholders, customers, suppliers, local inhabitants, employees and their families, etc.

## II. Environmental Policies

Based on an environmentally-friendly way of thinking, our company has positioned environmental protection as one of our most important management items. We have established the following Environmental Policies and are implementing activities for environmental reform.

### <Basic Policies>

All the resources of our planet are limited.

We deeply appreciate the blessings of the Earth and of nature and uphold our value for recycling and harmonization. This is because of our belief that we, who are bringing the present to life in this world, have a responsibility towards the future and a mission for the planet. Each and every one of the employees at Diamond Electric deeply understands this system of values and work to conduct business and develop products in line with it.

### <Code of Conduct>

- 1 Each and every one of our employees throughout the company appreciates the blessings of our planet and nature.
- 2 Not only in design and production, but in all business activities, we strive to save resources and energy, recycle, reduce chemical substances and waste and protect the environment.
- 3 We observe the environmental laws, regulations, treaties and agreements of the countries and communities where our sites are located.
- 4 The purpose and goals of our environmental policies (referred to below as our environmental purpose and goals) are revised annually and put into practice as business activities.
- 5 Environmental policies are documented, posted and, along with our annually revised environmental purpose and goals, familiarized by all our employees.
- 6 These environmental policies are generally made public as needed.

Established April 1, 2000  
Confirmed July 4, 2016  
Diamond Electric Mfg, Co, .Ltd.

### III. Green Procurement

Diamond Electric is committed to improving the global environment and we would like to be a company that values limited resources and the Earth.

Even in procurement of materials, we are preferentially working on green procurement that procures materials, parts, products, etc. that are more environmentally friendly.

In addition, we manage the environmentally hazardous substances contained in products in all processes from raw material stage to product shipment.

In promoting this activity, not only our company's efforts but also cooperation of all the suppliers are indispensable.

<Requests to suppliers (overview)>

- 1** Acquire certification of environmental system by ISO 14001 or local self-government, etc., and construct internal environmental system according to them.
- 2** Reporting of environmental burden substances is mandated in each industry. We appreciate your cooperation in the survey of environmentally hazardous substances of parts / materials to be delivered.

## IV. Request to suppliers

### 1. Request for supplier's environmental management

#### (1) Construction of environmental management system

We ask you to build an environmental management system based on ISO 14001 external certification acquisition.

Alternatively, we would like to obtain third-party certification of environmental management system, or construct internal environmental system accordingly.

Also, from the viewpoint of supply-chain management, we ask our suppliers to implement their own green procurement, build chemical substance management system, implement the operation, and also send environmental information from secondary and tertiary suppliers etc. as instantiated by our company.

#### (2) Compliance with the law

Please observe relevant laws and regulations.

#### (3) Promotion of Voluntary Environmental Improvement Activities such as Energy, Waste, and Transportation Measures

We ask you to promote voluntary improvement on the environment.

#### (4) Information provision

Please provide necessary environmental information according to our request.

However, if it is confidential information, please inform us in advance.

### 2. Request for products etc. to be delivered to our company

#### (1) Our company's initiatives

Regarding the use of environmentally hazardous substances, legislation has progressed in various countries, including Europe, and its impact is increasing more and more, and the law on environmentally hazardous substances at the time of product disposal has also come into effect.

As a result, from the viewpoint of legal compliance, strictness is required for guarantee of not including environmentally hazardous substances.

Amidst these developments, we are prohibiting the use and promoting the reduction of environmentally hazardous substances, and we will respond to environmental impact substances for products, parts, materials, sub-materials (hereinafter referred to as "products" etc.) delivered to us. Since we regulate it, please cooperate regarding the following items.

#### (2) Prohibited inclusion of prohibited substances

In principle, delivered products, etc. should not contain banned substances.

However, this does not apply to cases where an amount less than the limit value of each prohibited substance specified in the attached table is included as an impurity.

#### (3) Survey of contained chemical substances

In case there is a request from our company to suppliers to do chemical substance investigation, or when suppliers declare exemption of application, or when changes in

chemical substance inclusion information are declared to us due to amendment of law etc., please prepare the appropriate documents and data correctly according to the table below and submit it promptly.

In addition, documents and data to be submitted will be notified each time.

Document to be submitted		Note
JAMP MSDS plus *1	Chemical products	*2
JAMP AIS *1	Parts Packaging material	*2
chemSHERPA CI	Chemical products	*2
chemSHERPA AI	Parts Packaging material	*2
IMDS	Parts Packaging material	
JAMA/JAPIA unified data sheet	Chemical products Parts Packaging material	
Information provided for individual request	Products designated by us	We will ask you separately from our company.

\*1 Please use the information transfer sheet provided by JAMP (Article Management Promotion Council).

\*2 If prohibited / declared substances not included in the data are detected, please disclose all data.

#### (4) Packing and packaging materials delivered to us

For suppliers who are delivering packaging and packaging materials to our company, we ask you to investigate the chemical substances contained in packaging materials and report the results in response to our request.

#### (5) Reduction of greenhouse gases and packaging materials related to logistics

We are actively working on reducing greenhouse gas (energy consumption) in logistics, and we are also promoting reduction of packaging and packaging materials.

Even if suppliers are already establishing it, we ask for the environmental efforts below regarding logistics.

Although submission of related documents to our company is not necessary, we may check the status of respective activities as necessary.

##### (a) Reduction in commissioned logistics from our company

Suppliers who are asking for logistics of our products etc. please understand the scope of our improvement efforts in reducing greenhouse gas emissions and cooperate in promoting improvement together with our company as logistics partner.

##### (b) Reduction in delivered logistics to our company

Suppliers who have delivered products etc. to us are requested to make efforts to reduce greenhouse gas emissions in delivery logistics to our company.

Also in packaging and packaging materials, we ask for your cooperation in our reduction activities, such as simple packaging and use of recycled materials.

(6) Responding to conflicting minerals

We are promoting procurement activities that take into consideration social issues such as human rights and the environment, and the no use of 3TG (tantalum, tin, gold, tungsten). Even if your supplier sells it, you should avoid using 3TG and stop using the same materials and parts promptly when the use of conflicting minerals in materials and parts procured by your suppliers becomes clear. Please take the appropriate measures. Also, please cooperate with our survey requests.

(7) Method of describing submission documents and related remarks

(a) JAMP AIS and MSDS plus

- In principle, "other / non-disclosure" shall be less than 10%.
- If there is intentional inclusion of environment-related substances and content as impurities that exceeds the limit value, this should not be included in "other / non-disclosure" category.
- Even when it is not applicable, depending on the case, if there is intentional inclusion of environment-related substances, or if it is recognized that it is contained as an impurity that exceeds the limit value, it is necessary to describe the ingredients for environment-related substances.
- The format is JAMP AIS and JAMP MSDS plus (XML file format) as the specified format.
- Please always download the latest version from the following URL for the information transmission sheet and the entry manual provided by JAMP.

< JAMP (Article Management Promotion Council) web site >  
<http://www.jamp-info.com/dl>

(b) chemSHERPA CI and AI

- In principle, "other / non-disclosure" shall be less than 10%.
- If there is intentional inclusion of environment-related substances and content as impurities that exceeds the limit value, this should not be included in "other / non-disclosure".
- Even when it is not applicable depending on the case, if there is intentional inclusion of environment-related substances, or if it is recognized that it is contained as an impurity that exceeds the limit value, it is necessary to describe the ingredients for environment-related substances.
- The format chemSHERPA CI and AI are specified formats.
- For chemSHERPA, manuals etc., please always download the latest version from the following URL and use it.

<Mizuho Information & Research Institute Co., Ltd. web site >  
<https://chemsherpa.net/>

(c) IMDS

- In principle, "other / non-disclosure" shall be less than 10%.
- If there is intentional inclusion of environment-related substances and content as impurities that exceeds the limit value, this should not be included in "other / non-disclosure".
- Even when it is not applicable depending on the case, it is necessary to register ingredient data for environment-related substances when there is intentional inclusion in environment-related substances or when it is recognized that it is contained as an impurity that exceeds the limit value.
- The format is IMDS data.
- For IMDS, manuals etc, always download the latest version from the following URL and use it.

<IMDS web site>

<http://www.mdsystem.com/imdsnt/startpage/index.jsp>

(d) JAMA / JAPIA unified data sheet

- In principle, "other / non-disclosure" shall be less than 10%.
- If there is intentional inclusion of environment-related substances and content as impurities that exceeds the limit value, this can not be included in "other / non-disclosure".
- Even when it is not applicable depending on the case, if there is intentional inclusion of environment-related substances, or if it is recognized that it is contained as an impurity that exceeds the limit value, it is necessary to describe the ingredients for environment-related substances.
- The format is JAMA / JAPIA unified data sheet (CSV file format).
- JAMA / JAPIA Uniform datasheet, manual etc. Please always download the latest version from the following URL and use it.

< Japan Auto Parts Industries Association web site>

<http://www.japia.or.jp/datasheet/>

(e) Information provided for individual request

- Depending on our customer's request, we may ask you to provide information by individual request.

(Example) Precise analytical test report of designated chemical substances, non-use guarantee (certification), red phosphorus investigation etc.

(8) The case of a change in information on chemical substances contained in products  
In the case of a change in the content of chemical substance inclusion information (constituent ingredients, content etc.) of the purchased goods submitted to us, or the content of electronic data, we update information on chemical substances contained in the substance, Please inform us in writing, etc. to that effect.

(9) When additions / changes occurred to the standards of external organizations quoted in the attached table

Prohibited Substances and Contained Controlled Substances prescribed in the Appended Table shall be in compliance with the laws and regulations of each country (REACH, RoHS, etc.), or with a list of prohibited substances and substances controlled independently by external organizations such as GADSL (hereinafter simply referred to as "list") as quoted. Since our company must comply with related lists in order to meet laws and regulatory requirements, customer and social demands, our suppliers are expected regularly to check the lists and check the latest versions. Thank you for delivering products etc. that satisfy the requirements of the list.

If it is found that a purchased item does not satisfy the requirements as a result of a change in the list, please update the information in the survey on chemical substances contained in the list and inform us in writing, etc. to that effect. If there is no report, the requirements of the changed list are considered guaranteed.

Please be advised that the list will be changed regardless of our intention and without individually notifying our suppliers.

(10) Response to review

We may ask you to re-submit a chemical substance survey for all or specific products etc. when we deem it necessary due to amendment of law, change of customer's request, revision of this standard or for other reasons. Suppliers should promptly resubmit the survey of contained chemical substances in such a case.

(11) Response at the time of this revision

If we revise this book (posted on our website), our suppliers should confirm the contents promptly.

If the revised product does not satisfy this document, please update the information on the chemical substances contained in the information and inform us in writing, etc. to that effect. If there is no communication, it is considered as guaranteed conformity to this changed book.

(12) Confidentiality

The documents submitted will be limited to use inside our company, but if there is a request from a public institution or our client for document disclosure, we disclose it without identifying our suppliers. There may be such cases, thank you in advance for your understanding.

Regarding personal information of suppliers, we will comply with laws and other norms concerning appropriate handling.

## V. Glossary

### (1) Products

Among the goods to be delivered to our company by our suppliers, they are those which fall under any of the following items (a) to (d).

#### (a) Chemical products

"Chemical products" means substances of Article 3, paragraph 1 of the European (EC) No 1907/2006 REACH Regulation and mixtures of the second paragraph.

(Example) Metal material, metal oxide, resin pellet, paste, solder, binder, adhesive, paint ink etc.

#### (b) Parts

"Part" means an article according to Article 3, paragraph 3 of the European (EC) No 1907/2006 REACH Regulation.

(Example) Electronic parts, mechanical parts, insulating tape film, etc.

#### (c) Packaging material

"Packaging material" refers to goods used to deliver, protect, and identify products, among others.

(Example) Tray, stick, bag, cushioning material, stapler, cardboard, reel, tape, binding band, wrap, label, instruction manual and index card, etc.

Excluded: Pallets and containers collected and reused without secondary contamination, containers, boxes.

#### (d) Other purchased items

"Other purchased goods" means the goods that the supplier specifies by the application of this document, among other than the above items (i) - (iii) that the supplier deliver to us, and the goods in the cases of which the application of this document is specified.

(Example) Goods designated by us as jigs / tools, office supplies, molds, equipment etc.

### (2) Environmentally hazardous substances, chemical substances

Considering environmentally and ecologically adverse effects, regulations and industry trends, we have specified it as substances subject to control by our company and classified it as prohibited substances, reduced substances and controlled substances. For details, refer to the attached table.

#### (a) Prohibited substances

- It is a substance the intentional use and inclusion of which is prohibited in the parts delivered to us.
- Ingredient impurities beyond permissible concentration is prohibited.
- RoHS directive has application exemption in specific cases.
- If substitution of environmentally hazardous substances is difficult, please contact us.

#### (b) Reduced substances

- It is a substance that understanding the use and inclusion status for our products etc. should be reduced to the extent possible.

(c) Controlled substances

- It is a substance that understanding the use and the content status of our products should be controlled.
- It is a substance with the understanding that it is likely to become a substance to be reduced or a prohibited in the future.

(3) Other substances requiring information transmission

The REACH regulations oblige molded product suppliers to provide information for safely handling of molded parts to customers and consumers. In order to comply with laws and regulations, accurate and speedy delivery of information on included substances in the supply-chain is necessary.

We are promoting the survey using the style (chemSHERPA - AI / CI or MSDSplus and AIS) issued by JAMP (Article Management Promotion Council), material database for the automobile industry (IMDS), or JAMA / JAPIA unified data sheet.

(4) Content or to contain

Regardless of whether it is intentional or not, it is added, filled, mixed or adhered to products, etc.

(5) Impurities

It is contained in natural materials, refined as industrial materials and substances that cannot be technically removed by a process of synthetic treatment.

(6) Homogeneous material

It means the smallest unit material that cannot be mechanically separated into different materials.

As an example, tin plating applied to the lead frame is handled as a separate material from the lead frame.

Multi-layer plating refers to the state of each layer.

(7) Allowable concentration

It is the upper limit of the content concentration permitted as impurities, and it is the concentration with the homogeneous material in the denominator.

(8) Exemptions

For a specific use only, if exemption is declared by stating the content accurately, and thereby it is regarded as excluded from the category of prohibited or controlled substances.

(9) Limit

It is the permissible concentration of chemical substances contained in each part of products etc. and is the value stipulated in the separate sheet.

## VI. Appendix

Chemical substances managed by Diamond Electric (displayed by DE homepage)