



Nippon Chemi-Con Group Green Procurement Standards

—Ver. 3.1 —

Established July 1, 2005

Revised September 28, 2018

Enforced October 1, 2018

Nippon Chemi-Con Corporation

Introduction

In recent years, activities toward global environment protection are engaged by the world scale. Those activities are inevitable to maintain sustainable development of our society. Nippon Chemi-Con Group (hereafter referred to as “the Group”), with corporate philosophy of “Contribution to the technology with attention to environment and people”, have continuously been promoting activities such as energy-saving, recycling, and biodiversity protection.

In regard to the laws and regulations for chemical substances in products, since the release of “Manual for Controlled Chemical Substances of Nippon Chemi-Con Corporation” in 2003, the Group have been aiming for low-environmental-loads in all business operations including procurement, development, production, and sales. Moreover, to construct a chemical substances management structure throughout the supply chain, the Group enacted the "Nippon Chemi-Con Environmental Approval System" in 2007. Such operations of the Group could not be accomplished without cooperation of supplier, and we would like to thank for all the corporation.

Now, laws and regulations concerning chemical substances in products have continuously been tightened, and the Green Procurement Standards of the Group needs to be renewed to keep up with the latest requirements. At this renewal, controlled chemical substances list was separated from the main body of the standard to keep the list updated in timely manner. In the new standards, we encourage our suppliers to participate in global environment protection activities, such as greenhouse gas reduction and biodiversity protection. Also, we start surveying activities toward Corporate Social Responsibility (CSR), Business Continuity Plan (BCP), Disaster Risk Reduction (DRR), Climate Change adaptation (CCA) in relation to our environmental approval system.

With supports from our supplier and their supply chain, we aim to develop, to produce and to market low-environmental-loads products that are safe to use by customers.

We gratefully appreciate for your understanding and your cooperation.

Nippon Chemi-Con Corporation
Material Procurement Department
Environment Department

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1. Position of The Green Procurement Standards

(1) Purpose

The Green Procurement Standards specify requirements that must be observed in procuring materials, parts, products, etc. from suppliers.

(2) Scope

The Standards apply to materials, parts, products, and packaging materials procured by Nippon Chemi-Con Group companies (hereafter referred to as “procured items”) as well as to suppliers of such items.

“Nippon Chemi-Con Group companies” refers to Nippon Chemi-Con Corporation and all its subsidiaries and affiliated companies as specified in the section 6. (Nippon Chemi-Con Group companies are referred to as “our company” in the Standards).

(3) Confidentiality

It should be noted that survey documents and other reference documents submitted to our company may be disclosed upon requests from public agencies or our customers.

In such cases, we will give thoughtful attention to ensure that suppliers cannot be identified in the disclosed information.

We will abide by the pertinent laws and regulations concerning proper handling of information in order to protect the private information of suppliers.

(4) Revision

The Standards are subject to revision due to reasons such as changes in laws, social demands, and technological advancement. When the Standards are revised, we will notify suppliers through our HP or by the email. If procured items are found non-compliant to the Standards, please contact our procurement officer immediately.

(5) Contact

For inquiries, please contact the following:

Nippon Chemi-Con Corporation

Material Procurement Department

Phone: +81-3-5436-7630

Facsimile: +81-3-5436-7719

Environment Department

Phone: +81-3-5436-7633

Facsimile: +81-3-5436-7596

2. Definitions of terms

(1) Controlled Chemical Substances

“Controlled chemical substances” refers to chemical substances which our company deems them necessary to prohibit their use or monitor their containment in procured items.

1) Banned substances

Chemical substances that are not allowed to be contained in procured items. Those chemical substances must not be added intentionally, and must be less than threshold limits set in the standards.

2) Reportable substances

Chemical substances that are controlled in our company. Containment information is required.

3) SVHC

Chemical substances that are specified by ECHA (European Chemicals Agency) in accordance with REACH regulations.

- Authorization substances (listed in Annex XIV of the REACH Regulation)
- Candidate substances for Authorization

4) Global Automotive Declarable Substances List (GADSL)

GADSL is the global standard list of chemical substances for declaration within the automotive industry. Chemical substances are classified into 3 types;

P: (Prohibit) Prohibited in all applications

D/P: (Declarable/Prohibit) Prohibit in certain applications, and declarable in other use

D: (Declarable) Required declaration of containment

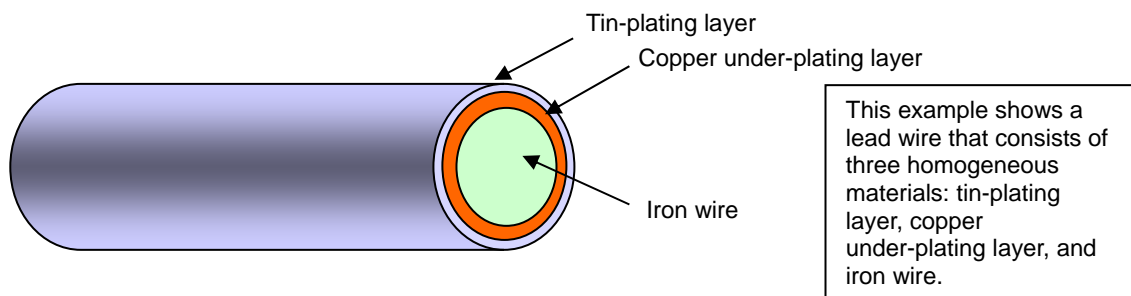
(2) Homogeneous materials

A material that can not be mechanically (including unscrewing, cutting, crushing, grinding and abrasive processes) disjointed into uniform composition.

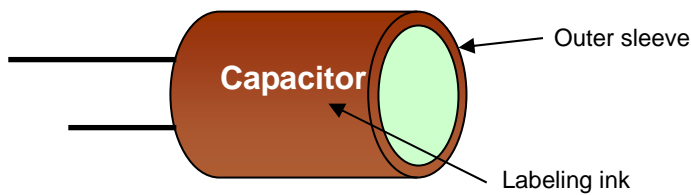
Basic concept of homogeneous materials (examples)

The following are some examples of homogeneous materials.

Example 1: Lead wire

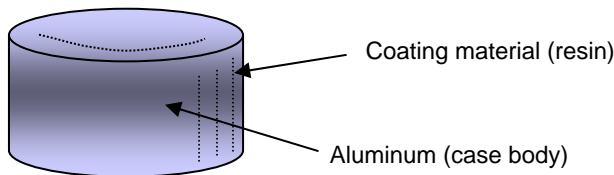


Example 2: Outer sleeve



In this example, the outer sleeve and labeling ink are homogeneous materials. Note that if different ink colors are used, each color is regarded as a different homogeneous material.

Example 3: Coated aluminum case



The aluminum case in this example is made of two homogenous materials: case body (aluminum) and coating material (resin).

(3) Threshold limit

Maximum concentration limit allowed in the homogeneous materials of a procured item.

(4) Containment

A condition in which a chemical substance is present in a procured item.

1) Intentional use

The addition of a certain chemical substance to a procured item for the purpose of achieving specific functions.

2) Impurity

A substance which is contained in a natural material and cannot be removed completely during the manufacturing processes due to technical limitations, or a substance which is generated during a synthetic reaction process and cannot be removed due to technical limitations.

(5) Plastic

A material that includes high polymers, such as general-purpose plastic, engineering plastic, synthetic fiber, synthetic rubber, ink, paint, and adhesive.

(6) Packaging materials

Materials that are used for transportation and protection of products, parts, and materials.

(7) Supplementary materials

Machine oil, cleaning solution, office supplies etc. for the manufacturing process.

3. Practice of the Standards

(1) Purpose

The purpose of practicing the Standards are to comprehend the conditions of chemical substances contained in procured items and to confirm compliancy of procured items to the Standards.

(2) Scope

Apply to all procured items of our company. (Excluding those are supplied by our company)

1) Materials

Chemicals, metallic materials, resin polymers, inks, soldering materials, binders, pastes, adhesives, tapes, paper, rubber, etc.

2) Parts

Mechanical parts (Machine molded parts, screws), electronic parts (PCBs, devices), units, modules, assembled parts, etc.

3) Packaging materials

Applicable only to packaging materials for which our company use for transportation and protection of our products, parts, and materials.

4) Supplementary materials

Procured items that our company specifies.

5) Other procured items

Procured items which our company specified other than the above.

e.g. jig, tool, office supply, mold, equipment

(3) Documents to be submitted

Documents name		When first starting business with our company	New approval		4M change		
			Newly procured item	Current procured item (additional size, form)	Change in material or ingredient	Process change (No ingredient change)	Additional plant
1 Certificate of Non-containment	*1	○	○	△	○	△	△
2 Reportable substances declaration form	*2	○	○	△	○	△	△
3 High-precision analysis result	*3	○	○	△	○	△	△
4 Ingredient sheet	*4	○	○	△	○	△	△
5 Green supplier audit sheet	—	○	△	×	×	×	○
6 Environmental Management System Survey Form	Form A	Environmental Management System Survey Form may be submitted only when requested by our company.					

○ : Required △ : When requested × : Not necessary

The latest Standards and formats can be found under following URL.

Japanese: <http://www.chemi-con.co.jp/env/green2.html>

English: <http://www.chemi-con.co.jp/e/env/green2.html>

Chinese: <http://www.chemi-con.co.jp/c/env/green2.html>

*1 Certificate of Non-containment (CEM-3551-18A/E, Attached Document 1)

Please submit the document 1 for all procured items supplied by you.

Applicable chemical substances, laws, scope, threshold limits, use, exemptions shall be referred to “Nippon Chemi-Con Group List of Controlled Chemical Substances”.

If procured items contain banned substance by a request from our company, please submit a certificate except for the substance.

*2 Reportable Substance Declaration Form (CEM-3551-18A/E, Attached Document 2)

Please submit the document 2 for all procured items supplied by you regardless of containment of those reportable substances.

If you find procured items are not in compliant to the Standards, or contain substances should be reported, please contact the procurement officer in charge immediately.

*3 Analysis data

Actual analysis results must be submitted in order to verify that the threshold limits specified by our company are satisfied in procured items.

1) Analysis institution

We recommend ISO/IEC17025 certified laboratory

2) Analysis data

High precision analysis data conducted in accordance with IEC62321 or EN62321.

3) Target substances

Procured items shall be tested per homogeneous materials for following substances;

Metals: Pb, Cd, Hg, Cr6+ (4 substance groups)

Others: Pb, Cd, Hg, Cr6+, PBB, PBDE, DEHP, DBP, BBP, DIBP (10 substance groups)

If a procured item is a mixture of metal and non-metal, it shall be regard as “Others”

4) Information to be provided in analysis data

The following information must be provided in analysis data.

- a. Analysis sample description (name of the target, part number, etc.)
- b. Pre-conditioning method (must be indicated of complete dissolution)
- c. Analysis method (name of the analysis method or the official method)
- d. The name of institution, the name of the person who performed the analysis, and the name of the person responsible for the analysis (stamps or signatures).
- e. Analysis results: In the case of “not detectable (N.D.),” indicate the lower limit of quantification.
- f. Analysis flow chart

5) Halogen

In some cases, we request analysis data of halogen (Cl, Br) for submission.

*4 Ingredient sheet

We recommend ingredient information to be submitted by the following industrial standard formats/tools;

	Tool name	Description
1	chemSHERPA	Developed under the supervision of Ministry of Economy, Trade and Industry of Japan. Tool (Japanese, English, Chinese versions available) can be obtained from the following URL; https://chemsherpa.net/chemSHERPA/
2	IMDS ^{*5}	The IMDS (International Material Data System) is the automobile industry's material data system used by more than 60,000 companies in the world. http://www.mdsystem.com/
3	SDS (MSDS)	Procured items that are subject to SDS, submission is required.

Other formats/tools including your own format are acceptable.

	Tool name	Description
1	JAMA/JAPIA Standard Material Datasheet ^{*6}	Excel-base format to create IMDS-like datasheet developed by Japan Automotive Manufacturers Association and Japan Auto Parts Industries Association. http://www.japia.or.jp/datasheet/
2	CAMDS ^{*5}	Chinese version of IMDS http://www.camds.org.cn/camds_en/
3	JAMP AISsheet MSDSplus ^{*7}	http://www.jamp-info.com/ais http://www.jamp-info.com/msds

*5 To submit data through IMDS/CAMDS, please contact our purchasing officer for corporate ID.

*6 To operate JAMA/JAPIA Standard Datasheet, you will be required to input password. Please contact our purchasing officer for the password.

*7 JAMP AISsheet and MSDSplus will discontinue by June 2018. Please use other format.

(4) Indication of “non-containment of banned chemical substances” on invoices

To ensure that banned substances are not contained in procured items, please indicate in the document (invoice, test data report, etc.) provided to our company at the time of delivery the following statement or a statement to the same effect: “The product delivered to your company does not contain banned substances specified by your company.”

4. Request for participating in environment protection activities

Our company has been participating global environment protection activities, and encourage our suppliers to participate in such activities like mentioned below.

We appreciate for your understanding and cooperation for returning a survey that will be conducting.

- Construct and maintain Environmental Management System
- Energy saving activities
- Efficient use of resources (3R activities), and Reduction of the waste
- Simplification of packaging material, Re-use promotion
- Reduction of Green House Gas
- Participation to the Biodiversity protection activities
- Responding to the Climate change
- Water-saving promotion
- Idling stop

5. Nippon Chemi-Con Green Supplier Approval System

Our company initiated the Nippon Chemi-Con Green Supplier Approval System on April 1, 2007, and confirms the system for control of chemical substances contained in products operated by each supplier.

We conduct on-site or self-evaluate audit every 2-3 years. We appreciate for your cooperation. (Green Supplier Approval is required for approval of newly procured item)

6. Nippon Chemi-Con Group Companies

In Japan	Outside Japan
Nippon Chemi-Con Corp. Takahagi Plant	Chemi-Con (Wuxi) Co., Ltd.
Nippon Chemi-Con Corp. Niigata Plant	Dong Guang KDK Aluminum Foil Manufacture Ltd.
Chemi-Con Iwate Corp.	Taiwan Chemi-Con Corp.
Chemi-Con Miyagi Corp.	Chemi-Con (Malaysia) Sdn. Bhd.
Chemi-Con Fukushima Corp. Fukushima Plant	P.T. Indonesia Chemi-Con
Chemi-Con Fukushima Corp. Kitakata Plant	United Chemi-Con, Inc.
Chemi-Con Yamagata Corp. Nagai Plant	Chemi-Con Materials Corp.
Chemi-Con Yamagata Corp. Yonezawa Plant	
Chemi-Con Nagaoka Corp.	

7. Revision history

No.	Modification	Date	Revision No.
1	First edition released	July 1, 2005	05A
2	(1) General contents, expressions, and terms were reviewed. (2) The standards for control of chemical substances contained in products were reviewed. Deletion of controlled chemical substances, agricultural chemicals, insecticides, etc. Addition of newly regulated substances such as PFOS (3) Consolidation of Annex C (issued on December 1, 2008)	October 1, 2009	09A
3	(1) Full renewal. (2) Separate Chemical Substance List from main body of the Standards.	April 1, 2018	18A
3.1	(1) SDS requirement added (2) List of Controlled Chemical Substances Amended clerical errors Added list of applicable laws Added revision history	September 28, 2018	18B