

Green Procurement Standard
(Version 5)

Established on November 15, 2006

Revised in Jan., 2021

Yamari Industries,Ltd.

Table of contents

1. Introduction	3
2. Environmental policy of Yamari Industries,Ltd.	4
3. Concept of green procurement	5
3.1 Purpose.....	5
3.2 Definition	5
3.3 Scope.....	5
3.4 Content of evaluation.....	5
3.5 Evaluation and selection criteria of suppliers.....	5
3.6 Evaluation and selection criteria of procurement items.....	7
4. Application criteria.....	8
4.1 Evaluation of suppliers.....	8
4.2 Evaluation of materials and parts.....	8
4.3 Confidentiality.....	9
5. Others.....	9
6. Section for document submission and contact.....	9

(Form 1) Green Procurement Environmental Activity Survey Report

(Form 2) Chemical Content Survey Report

1. Introduction

Yamari Industries, Ltd.(hereinafter referred to as “we”) obtained ISO 14001 that was established as the international standard for environmental management system in July 2004 and has conducted environmental conservation activities to “make all employees recognize the importance of environmental conservation and devote to conservation and improvement of regional and global environment through our business activities” as our environmental principle.

To continuously promote these activities, it is essential to reduce environmental load on the materials and parts that are constituents of our products. Since procurement of environmentally-friendly materials and parts, that is, “green procurement” also plays an important role in it, we established this “Green Procurement Standard” in November, 2006. As the environmental laws and regulations were tightened afterward in the European region, we significantly revised this standard to cope with them especially in regard to chemical substances in June, 2012.

Please rest assured that the partial change this time will not ask our suppliers of any changes in our current trade.

Therefore, we would like to request suppliers to cooperate our green procurement activities after fully understanding the importance of environmental conservation activities.

Yamari Industries, Ltd.
Shinichi Yasugi
Corporate Executive Officer

2. Environmental policy of Yamari Industries, Ltd.

We established the following “Environmental Policy” to conduct the environmental conservation activities.

Environmental Policy of Yamari Industries, Ltd.

(Environmental principle)

Yamari Industries, Ltd. shall make all employees recognize the importance of environmental conservation and devote to conservation and improvement of regional and global environment through our business activities.

(Environmental policy)

We conduct environmental conservation activities based on the policy below, through business activities of manufacturing and sales of thermometers (thermocouples and resistance thermometers) and micro heaters.

1. We shall build and operate the environmental management system for business management and continuously improve environmental issues and prevent pollution.
2. We shall comply with requirements of environmental laws and regulations, and other agreed requirements.
3. We shall establish following environmental target and goal as priority issue to promote the improvement activities and review continuously, when required.
 - (1) Design and manufacture the most environmentally-friendly product
 - (2) Purchasing environmentally-friendly materials and parts preferentially from business partners who perform environmentally-friendly activities
 - (3) Promotion of energy saving
 - (4) Minimizing waste products
 - (5) Contribution to environmental preservation in local society

This policy shall be notified to all the people who works in or for our company and released to the public.

Established on January 23, 2004

Revised in August, 2014

Yamari Industries, Ltd.

Shinichi Yasugi

Corporate Executive Officer

3. Concept of green procurement

3.1 Purpose

Our purpose shall be to reduce the load on environment caused by our business activity by actively purchasing environmentally-friendly materials and parts, and devote to the global environmental conservation by delivering the environmentally-friendly products to customers.

3.2 Definition

The definition of green procurement shall be to preferentially procure the environmentally-friendly materials and parts that are used for our production from suppliers that are conscious of ecology.

3.3 Scope

This standard shall be applied for materials and parts necessary for our production.

3.4 Content of evaluation

At the time of materials and parts selection, we shall comprehensively evaluate them by quality and price that has been used and additional “environment” to promote green procurement.

In terms of environment, we consider the following two items as important for material procurement.

- (1) Positive approach to environmental conservation activities by suppliers.
- (2) Materials and parts to be purchased from suppliers should no use or contain chemical substances that heavily load the environment.

3.5 Evaluation and selection criteria of suppliers

We shall evaluate suppliers that manufacture and sell materials and parts whether they are actively addressing the environmental conservation.

In particular, we regard that the requirements are satisfied when either of the following environmental activities are being conducted regardless of certification by the third party such as ISO 14001.

However, we may determine it upon consultation with the supplier in some cases.

- (1) Compliance with regulations on environment
- (2) Implementation of energy-saving activities
- (3) Implementation of saving waste materials
- (4) Implementation of reducing paper usage

- (5) Implementation of recycle activities
- (6) Implementation of environmental education/training
- (7) Implementation of recycling package materials
- (8) Implementation of other environmental conservation activities

3.6 Evaluation and selection criteria of procurement items

Purchase materials and parts that do not contain the following banned chemical substances.

Please research the following 15 chemical substances that are specified by Japan Green Procurement Survey Standardization Initiative(JGPSSI).

For details, please refer to JGPSSI site: <http://home.jeita.or.jp/eps/>.

Number of chemical substances that are to be prohibited, restricted, or obliged to report by law for sale and use of products containing them are 25 and their regulation values are as follows.

For details, refer to Example Substance List on page 10.

No.	Substances	Threshold
1	Cadmium and cadmium compounds	*1 100ppm in the homogeneous material or intentional addition *2 Material for use in packing
2	Hexavalent chromium compounds	*1 1000ppm in the homogeneous material or intentional addition *2 Material for use in packing
3	Lead and lead compounds	*1 1000ppm in the homogeneous material or 300ppm on the code cable surface *2 Material for use in packing
4	Mercury and mercury compounds	*1 1000ppm in the homogeneous material or intentional addition *2 Material for use in packing
5	Polybrominated biphenyls(PBBs)	*1 1000ppm in the homogeneous material or intentional addition
6	Polybrominated diphenyl ethers(PBDE)	*1 1000ppm in the homogeneous material or intentional addition
7	Bis(tri-n-butyltin) oxides(TBTOs)	Intentional addition or research unit 1000ppm
8	Polychlorinated biphenyls(PCBs)	Intentional addition
9	Polychlorinated naphthalene(CI \geq 3)	Intentional addition
10	Short chain chlorinated paraffin(C10-13)	Intentional addition or research unit 1000ppm
11	Asbestos	Intentional addition
12	Azo colorants/pigments formed specific amine	Research unit 30ppm for use in fabric/leather
13	Ozone depleting substances	Intentional addition

14	Radioactive substances	Intentional addition
15	Triple displacement organic tin compounds	*1 1000ppm in the homogeneous material or intentional addition
16	Polychlorinated terphenyls(PCTs)	Intentional addition
17	Perfluorootane Sulfonic Acid(PFOS)	Intentional addition
18	Polyvinyl chloride(PVC)	For packing intentional addition or reserch unit 1000ppm
19	Formic aldehyde	For wooden manufacture intentional addition For fabric 75ppm of fabric unit each
20	2-(2H-1,2,3-benzotriazole-2-yl)-4,6-di-tert-butylphenol	Intentional addition
21	Dimethyl fumarate(DMF)	*1 0.1ppm in the homogeneous material or intentional addition
22	Dibuthyltin compounds(DBT)	*1 1000ppm in the homogeneous material or intentional addition
23	Diocyltin compounds(DOT)	For use in purpose below *1 1000ppm in the Homogeneous material • Fabric/leather to be contacted with skin • 2 Liquid room-temperature cure moulding kit (RTV-2 Sealant moulding kit)
24	Fluorine based green house gasses	Intentional addition
25	Cobalt chloride	Intentional addition or reserch unit 1000ppm
26	Di-2-ethylhexyl Phthalate(DEHP)	0.1wt%(1,000ppm)
27	Butyl Benzyl Phthalate(BBP)	0.1wt%(1,000ppm)
28	Di-n-Butyl Phthalate(DBP)	0.1wt%(1,000ppm)
29	Diisobutyl Phthalate(DIBP)	0.1wt%(1,000ppm)

*1 Homogeneous materials mean those which are not mechanically broken down or separated by being unscrewed, cut, crashed and ground.

Homogeneity means homogeneous across the material.

Examples of homogeneous materials are plastic, ceramic, glass, metal, plating, paper, plain board, resin coating, etc.)

*2 In each homogeneous material used in packing materials, for example resin, ink, paint, total heavy-metal content of lead, cadmium, mercury and hexavalent chromium must be less than 100ppm in the weight ratio.

4. Application criteria

At the time of selection materials and parts, we shall comprehensively evaluate them by quality and price that has been used and additional “environment” to promote green procurement.

In terms of environment, we use the following two items as guideline for decision-making and check on them regularly.

- (1) Approach to environmental conservation activities of suppliers
- (2) Environmental information of materials and parts to be purchased from suppliers (status of use of chemical substances).

4.1 Evaluation of suppliers

(1) Evaluation criteria of suppliers

We shall preferentially procure materials and parts from the suppliers that are performing the following environmental conservation activities based on environmental management system such as ISO 14001.

However, we do not force suppliers to obtain ISO 14001 and other certifications.

-ISO 14001

-Other environmental managements (Eco Action 21, KES Environmental Management System Standard, etc.)

-Unique environmental activities

(2) Evaluation procedures

Each manufacturing company of procurement items shall fill in the Form 1 “Green Procurement Environmental Activity Survey Report” and submit it to us. We shall evaluate the result.

For the department for submission, please refer to Section 6 “Section for document submission and contact”.

4.2 Evaluation of materials and parts

(1) Evaluation criteria

Suppliers shall check whether the 25 chemical substances that are specified by Japan Green Procurement Survey Standardization Initiative (JGPSSI), described on Section 3.6 “Evaluation and selection criteria of procurement items” are not contained in the materials and parts to be delivered to us. We shall preferentially procure the products that do not contain banned chemical substances.

(2) Evaluation procedures

Suppliers shall check whether the 25 chemical substances are contained in the material and parts to be delivered to us and if they are contained, please fill in the Form 2 “Chemical Content Survey Report” and submit it to us. If not, please fill in the Form 3 “Written Guarantee of Non-use of Forbidden Substances” and submit it to us. For the department for submission, please refer to Section 6 “Section for document submission and contact”.

4.3 Confidentiality

We shall use the content and evaluation results of the submitted report only for our internal materials and never release it to the public.

5. Others

-We may request further survey and improvement depending on the result of “Green Procurement Environmental Activity Survey Report” and “Chemical Content Survey Report”.

-We may request the content survey for the chemical substances that are not listed in the Example Substance List due to our circumstances and social situations such as amendment of laws. In this case, we will separately request it.

-If our customers request stricter management than our management standard, we may separately request it in accordance with customer's requirements.

6. Section for document submission and contact

For submission of documents on and inquiry for our “Green Procurement Standard”, contact the following section.

International Business Dept., Administration & Planning Division (document submission)

TEL: +81-72-678-3452

FAX: +81-72-679-1163

Quality Assurance Office (Inquiry)

TEL: +81-72-678-6519

FAX: +81-72-678-0976