

Nippon Tungsten Co., Ltd. Green Procurement Guidelines

Established December 1, 2022 (Ver.1)

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Foreword

Today, the earth is exposed to many environmental burdens arising from our daily lives and corporate activities, such as emissions of carbon dioxide and other greenhouse gases, emissions of substances harmful to many living things including human beings, and massive consumption of global resources, and the impact of these burdens is steadily increasing.

In order to leave a beautiful global environment to the next generation, it has become essential for us to be aware of our involvement in environmental issues and to implement various wide-ranging to reduce environmental impact.

Accordingly, we have decided to establish the "Green Procurement Standards" to contribute to the reduction of environmental impact throughout the life cycle of our products, including our suppliers who provide us with materials, our customers who use our products, and even end users.

We will continue to promote environmental activities that contribute to the sustainable development of society through procurement activities in line with these standards, and we would appreciate the understanding and cooperation of our suppliers in this undertaking.

I. Quality and Environment Policy of Nippon Tungsten

1. Through continuous quality improvement efforts, we will contribute to the protection of the global environment by making effective use of limited resources such as rare metals and efficient use of energy.
2. We will strive to avoid and mitigate the damage caused by climate change through proactive carbon neutral initiatives.
3. We will strive to protect the environment and prevent health hazards through uncompromising management of chemical substances, including those contained in our products.
4. We will strive to improve customer satisfaction by providing quality products and services through continuous improvement and efficient operation of our quality and environmental management system, and at the same time, to understand and reduce the environmental impact of our products and services.
5. We will improve customer satisfaction by responding sincerely and in a timely manner to all requirements to which we agree, in compliance with environmental regulations and other laws and regulations.

II. Purpose

The purpose of these guidelines is to ensure that we obtain information from our suppliers on the inclusion of our controlled substances, minimize the use and emission of environmentally hazardous substances throughout the life cycle of our products, and contribute to environmental conservation and the realization of a recycling-oriented society.

III. Scope

These Guidelines apply to procurement activities for parts, materials, and units (hereinafter referred to as "Deliverables") that constitute the products we manufacture and sell. These include products the development, design, and manufacture of which are outsourced to third parties, accessories such as instruction manuals, sub-materials such as adhesives, service parts, manufacturing processes, and product packaging materials.

IV. Green Procurement Standards

In promoting green procurement, we will give priority to procurement from suppliers who satisfy the following requirements.

- (1) Procurement from suppliers that actively promote environmental conservation activities.

We will give priority to procurement from suppliers who have established a mechanism (environmental management system) that enables continuous promotion of environmental conservation activities.

- (2) Procurement of Deliverables with low environmental impact and free of designated hazardous substances.

Priority will be given to procurement of environmentally friendly products that conform to the prohibited chemical substances and controlled chemical substances specified in the attached sheet.

V. Requests to Suppliers

- (1) Environmental Management System Undertaking

Regarding environmental management systems, we request third-party certification such as ISO 14001, KES (Kyoto Environmental Management Standard), Eco Action 21 (Ministry of the Environment), and Eco Stage, as well as efforts to reduce environmental impact such as reduction of greenhouse gases (CO₂, etc.) and waste.

Suppliers that have difficulty in obtaining certification are requested to consider the following items.

1. Establishment of corporate philosophy and policy regarding environmental conservation
2. Establishment and implementation of environmental objectives, targets, and plans
Reduction of greenhouse gases (e.g., CO₂) etc. as environmental objectives
3. Establishment of a responsible person and organizational structure to achieve the goals

- 4 . Periodic verification of legal compliance and environmental activities
- 5 . Provision of environmental education for employees

(2) Reduction of Environmental Burden of Deliverables (Standards for Chemical Substances in Deliverables)

We request that you comply with the following chemical substance control standards for products delivered to our company.

- ① Prohibition of intentional use or inclusion above threshold levels of prohibited chemical substances.

Prohibited chemical substances: Substances the intentional use of which is prohibited in deliverables according to domestic and foreign laws and regulations, as well as our voluntary regulations.

(Substances listed in "[Table 1] List of Prohibited Chemical Substances" in "(Attachment) Chemical Substance Management Standards")

- ② Determination of whether controlled chemical substances are contained in products, the rate of content, and the parts where such substances are used

Controlled chemical substances: While use of these substances in deliverables is not prohibited, it is necessary to know whether they are contained in goods, etc., the amount contained, the parts in which they are used, their applications, etc.

(Substances listed in "[Table 2] List of Controlled Chemical Substances" in "(Attachment) Chemical Substance Management Standards")

If there is a possibility that nonconforming products (products that do not meet the regulatory content of the management standards) related to the chemical substance management standards have been delivered to our company, please contact us as soon as possible. For details, please refer to "(Appendix) Chemical Substance Management Standards".

(3) Submission of "Certificates of Non-Use for and Reports on Environmentally Hazardous Substances"

We may request suppliers to provide us with information on chemical substances in the attached form ("Non-use Certificate and Report on Environmentally Hazardous Substances") for the products delivered to us.

VI. Revisions

These guidelines and management standards will be revised when laws are revised and as otherwise necessary.

VII. Nondisclosure

Information provided by suppliers will be used only for the purpose of assuring our customers regarding chemical substances contained in products and will not be used for any other purpose.

【Contact Information for Enquiries】

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【History of Revisions】

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