



SES-QUA-0009-J

SOSHIN ELECTRIC Group

Green Procurement Guidelines

Version 9

双信電機株式会社
SOSHIN ELECTRIC CO., LTD.

SOSHIN DEVICE CO., LTD.

SOSHIN POWERTECH CO., LTD.

RISSHIN ELECTRONICS CO., LTD.

SOSHIN ELECTRONICS (M) SDN. BHD.

SOSHIN ELECTRONICS (SZ) LIMITED

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[Appendix: SOSHIN ELECTRIC Group List of Environmentally Controlled Substances]

Introduction

The SOSHIN ELECTRIC Group considers the conservation of the global environment as one of the most important issues facing management, and we have striven to make continued efforts to improve the environment through the development, design, manufacturing, and sale of our products, and other corporate activities.

The recent surge in social interest in environmental issues, coupled with the strengthening of environmental regulations in the EU and other countries, have raised the bar for the social responsibility considerations required of companies as they conduct their corporate activities.

The SOSHIN ELECTRIC Group views green procurement as a key role for companies to fulfill, and has revised its Green Procurement Guidelines to reduce the impact of its materials procurement on the environment.

Looking ahead, the SOSHIN ELECTRIC Group will comply with laws and regulations based on its Green Procurement Guidelines, and will work to procure materials (parts, secondary materials, packaging materials, etc.) with limited environmental impact from business partners that actively promoted environmental load reduction activities. Further, with the requirement to establish an environmental management system, implement greenhouse gas reduction activities, measures that address the drain on water and other resources, and initiatives that tackle biodiversity and responsible mineral procurement (avoidance of conflict minerals), we ask our business partners to

likewise actively implement measures to address these issues.

This cannot be achieved without the understanding and the promotion of similar initiatives by our business partners.

We humbly ask for your cooperation and support in this matter.

SOSHIN ELECTRIC CO., LTD.

Manufacturing Innovation Headquarters Procurement Department

Management Promotion Division, ESG Promotion Office

1. Revision History

Version 1 May 21, 2004

Version 2 September 19, 2006

Main changes: Changed the list of chemical substances under investigation from JGPSSI Ver.2 to the JIG-compatible Ver. 3.

Version 3 January 13, 2010

Main changes: Changed the list of chemical substances under investigation to JIG-101 ED2.0 Ver. 4.

Adopted JAMP AIS, MSDSplus to comply with REACH Regulations.

Version 4 January 1, 2012

Main changes: Changed the list of chemical substances under investigation to JIG-101 ED4.0.

Added dibutyltin compounds (DBT) and dioctyltin compounds (DOT) to the list of prohibited substances.

Adopted JIG-201 Ed1.0 for substances prohibited for use in packaging.

Version 5 December 1, 2013

Main changes: Changed the List of Environmentally Controlled Substances to Appendix [SOSHIN ELECTRIC Group List of Environmentally Controlled Substances].

Changed the list of chemical substances under investigation from JIG-101 to the JAMP list of controlled substances.

Changed the processing method for analysis data on prohibited substances to the IEC62321 standard.

Version 6 April 1, 2016

Main changes: Removed batteries and substances prohibited from use in batteries, and removed article SDS (MSDS) requirements.

Revised the Appendix [SOSHIN ELECTRIC Group List of Environmentally Controlled Substances].

Version 7 September 1, 2018

Main changes: chemSHERPA-AI was AIS.

chemSHERPA-CI was MSDSplus.

For analysis data of substances restricted or prohibited by law in the survey documents table, analysis data of 4 heavy metals are made sufficient for metal and ceramic products.

3) Investigation into and reduction activities of greenhouse gas emission amounts,

4) Enhanced implementation of water risk control, and

5) Efforts for preservation of biodiversity

were added to 6. Request to Suppliers.

Version 8 September 30, 2021

Main changes: Added control symbols

Moved revisions to item 1

Added chemSHERPA controlled substances to term definitions

Changed the investigation data format

Changed the investigation documents

Corrected the expression used for environmental data submissions conditions, added “when procuring supplies for the first time in a while”

Changed JAMA sheet to JAPIA sheet

Added the supplier form to warranty instructions

Added note on FMD: Full Material Declarations

Added sample photos to high-precision analysis data

Changed the point of contact from the Environmental Control Office to the Environmental Control Department

Revised the Appendix [SOSHIN ELECTRIC Group List of Environmentally

Version 9 April 1, 2023

Main changes: Changed names of issuing department and contact department
Changed from “Quality Assurance Headquarters Environmental Management Department” to “ESG Promotion Office, Management Promotion Division”
Changed “4. Scope of Application of Green Procurement” section note to “no possibility of contact with products”
In the “7. Requests for Business Partners” section, added request for presentation of chemSHERPA data to item “4) Change control” under “(1) Management System for Environmentally Controlled Substances” and revised items “(3) Activities to determine and reduce greenhouse gas emissions” and “(4) Promotion of water risk management”
Changed use of “CO₂” to “greenhouse gases”

2. Environmental Activities of the SOSHIN ELECTRONICS Group

Management philosophy

SOSHIN WAY - Connecting people with the future through communication

We will protect the harmony between the earth and people in a "circle" of mutual trust toward the <realization of an environmentally symbiotic society>.

Each and every employee actively works on their own accord to reduce greenhouse gas emissions in an aim to achieve zero emissions in order to establish a SOSHIN ELECTRIC Group oriented toward acquiring green parts to leave a smaller, more environmentally-friendly footprint.

(Excerpt from the section on the environment)

Environmental policy

- Observance of laws, agreements, and arrangements established with customers, and of self-defined standards
- Definition of environmental targets with local communities in an organized and continual manner to reduce environmental loads together
- Development, designing, manufacturing, and marketing of eco-friendly products
- Exercising and monitoring efforts to prevent environmental pollution
- Promoting education and awareness-raising activities for employees and those involved in the business activities of the SOSHIN ELECTRIC Group to establish a higher level of conscious toward their roles and responsibilities.

3. Green Procurement Objectives of the SOSHIN ELECTRIC Group

We aim to provide our customers with environmentally-friendly products by designing and developing products with a low environmental impact through the promotion of Green Procurement.

As part of these efforts, we promote prioritizing the procurement of materials and parts with a low environmental impact from suppliers involved in environmental conservation. These Guidelines outline the SOSHIN ELECTRIC Group’s basic approach to Green Procurement, and details the specific requirements we ask of our supplier partners.

The SOSHIN ELECTRIC Group shares issues concerning environmental conservation activities with our suppliers while implementing these activities alongside our partners in the spirit of mutual cooperation based on these Guidelines. As such, we will prioritize the use of products and services from suppliers that engage in business activities with a greater awareness of their impact on the environment.

4. Scope of Application of Green Procurement

- (1) Parts (electrical and mechanical parts, semiconductor devices, PWBs, wires, metal cases, screws, plated goods, and molded plastics)
 - (2) Secondary materials used in products (coating material, adhesives, solders, pastes, plastic materials, and materials used for ceramics), other materials.
 - (3) Packaging materials (trays, reels, bags, cushions, cartons, tapes, labels, printing ink, and other materials).
- * Facilities, tools, protective gear, molds and other tools for which there is no possibility of contact with products are exempt.

5. Start of Application

These Guidelines will take effect on April 1, 2023.

6. Environmentally Controlled Substances

- (1) Categories of environmentally controlled substances, and list of environmentally controlled substances
Environmentally controlled substances are classified as substances prohibited for use, controlled substances, and substances not to be contained in packing/packaging materials.
See the Appendix [SOSHIN ELECTRIC Group List of Environmentally Controlled Substances] for details.
- (2) Definition of terms
 - Substances prohibited for use: Chemical substances prohibited under the scope of application of Green Procurement.
 - Controlled substances: Chemical substances whose use, and amount of use, must be maintained to within the scope of application of Green Procurement.
 - Substances not to be contained in packing/packaging materials: Applicable to packing/packaging materials used within the scope of application of Green Procurement.
 - Homogeneous materials: Materials that cannot be separated into different materials by mechanical means. Here, homogeneous is used to mean “uniform in composition throughout.”
 - Intentionally added: This refers to the intentional use of a substance in the formulation of a product where its continued presence is desirable in order to provide a specific characteristic, appearance, or quality.
 - Threshold level: Concentration levels which define the limit above (or equal to) which the presence of a substance in a product shall be declared based on the requirement of these Guidelines. Numerical threshold levels are provided as a percentage of the weight (%) and parts per million (ppm). 1000 ppm converts to 0.1%.
 - IEC62474:
One of the standards published by the International Electrotechnical Commission (IEC).
This document serves as a successor to the JIG-101 (Material Composition Declaration Guide for Electrotechnical Products), and specifies material declarations related to products and the

electricity/electrical industry.

- chemSHERPA:

A scheme for communicating information on chemical substances in products developed under the supervision of the Ministry of Economy, Trade and Industry. This scheme is currently managed by JAMP (Joint Article Management Promotion-consortium).

- chemSHERPA-AI: A format for communicating information on molded goods

Composition information: Content rate (amount) of chemical substances contained in products, parts, and materials

Compliance information: Determines whether products contain substances subject to specific legal regulations and industry standards.

- chemSHERPA-CI: A format for communicating information on chemicals

Composition information: Content rate (amount) of chemical substances contained in products, parts, and materials

- chemSHERPA controlled substance:

List of substances regulated by the laws and regulations of the following countries. chemSHERPA determines whether products contain controlled substances based on this list.

Japan: Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture, etc. - Class I Specified Chemical Substances

U.S.: Prohibited or restricted substances under the Toxic Substances Control Act (Article 6)

EU: ELV Directive

EU: RoHS Directive - Annex II China-RoHS

EU: Convention on POPs - Annex I

EU: REAH Regulations - Candidate List of Authorization (candidate substances subject to approval) and Annex XVII (substances subject to approval)

EU: REACH Regulations - Annex XVII (restricted substances)

EU: Medical Devices Regulation (MDR) - Annex I 10.4 Chemical Substances

Global Automotive Declarable Substance List (GADSL)

IEC62474DB Declarable substance groups and declarable substances

- JAPIA Standard Material Datasheet (hereafter, JAPIA Datasheet):

Format provided by JAPIA (Japan Auto Parts Industries Association) for inspecting chemical substances contained in parts and materials.

7. Requests for Business Partners

(1) Management system for environmentally controlled substances

1) Request for cooperation concerning supplier environmental evaluations

SOSHIN ELECTRIC performs evaluations of the supplier's management system before commencing business and periodically thereafter.

To better understand your management system, please fill out and send back the check list we will send you.

If an on-site inspection is deemed necessary, please assist our inspection team with the inspection.

2) Control of environmentally controlled substances

We request that all goods delivered to us are in compliance with the relevant laws and regulations, and that all substances contained within said goods is understood and controlled in accordance with the Appendix [SOSHIN ELECTRIC Group List of Environmentally Controlled Substances].

In addition, even with regard to catalog items, we ask suppliers to supply us with information on substances that may potentially come into conflict with the list of controlled substances due to revisions to laws and regulations.

3) Prevention of mixture and contamination of environmentally controlled substances

We ask that environmentally controlled substances are identified and controlled to prevent their mixture and contamination.

In addition, recycled materials may be used subject to prior verification of their contents and retention of their production history. (Please refer to the individual specifications for the use of recycled materials.)

4) Change control

Changes to goods delivered to SOSHIN ELECTRIC may only be applied based on a contractual agreement following the Company's approval of change proposals submitted to the Procurement Department. Indicate in chemSHERPA format that the delivered goods conform to our list of environmentally controlled substances. Changes should not be applied until receipt of a change approval notice.

(2) Control of suppliers and their sources (hereafter, second-tier suppliers)

We request that the requirements and information provided by SOSHIN ELECTRIC, including those in these Guidelines, are clearly communicated to second-tier suppliers, and that guidance and understanding of the management system in place at said second-tier suppliers is maintained.

(3) Activities to determine and reduce greenhouse gas emissions

The reduction of greenhouse gas emissions is now a vital issue from the perspective of preventing global warming.

We request that suppliers endeavor to maintain an understanding of, and reduce greenhouse gas emissions as part of their business activities. Suppliers may be requested to submit information concerning their progress in these efforts.

(4) Promotion of water risk management

In addition to water pollution and other pollution-prevention efforts, a broad range of water-related issues, including water shortages, has grown more serious.

We ask our suppliers to promote reduction of water consumption and appropriate wastewater discharge, and

may request that you provide information on water consumption and wastewater treatment results.

(5) Biodiversity conservation initiatives

The importance of biodiversity is being increasingly stressed in recent time, and companies are also called upon to implement biodiversity preservation initiatives.

Suppliers may also be requested to submit information concerning their progress in these efforts.

(6) Contained chemical substances investigations

We ask for your cooperation in providing information on the contents of chemical substances as prescribed in the [SOSHIN ELECTRIC Group List of Environmentally Controlled Substances]. Please submit the requested survey documents as soon as possible.

* You may be requested to analyze and examine individual items at the request of our clients.

Investigation documents

(1) Parts (articles)

Submission conditions	Classification	Document titles	Standard /Management body, etc.	Remarks
Initial negotiations Amendments to laws and regulations Submission of change proposals When article is supplied for the first time in a while (around three years or more)	Information on controlled substance content	chemSHERPA-AI	JAMP	The latest revision must be complied with
	Analysis data of substances restricted or prohibited by law	Highly accurate analysis data specific to each homogeneous material location* (Analysis report using ICP analysis, GC-MS, or other highly accurate means of analysis: 10 substances prohibited under the RoHS Directive)	Reports must be issued by ISO/IEC17025-certified analysis laboratories (general requirements concerning the competence of testing and calibration laboratories)	Analysis data of four heavy metals (Pb, Cd, Hg, and Cr6+) is sufficient for ceramic products, and metal products which do not use brominated flame retardants (PBBs, PBDEs) and four substances of phthalic esters.
When requested by SOSHIN ELECTRIC	Information about chemical ingredients	JAPIA	JAPIA datasheet	The latest revision must be complied with
	Letter of guarantee	Certificate for the non-use of prohibited substances	-	Format set by SOSHIN ELECTRIC or the supplier

(2) Secondary materials used in products (substances, preparation)

Submission conditions	Classification	Document titles	Standard /Management body, etc.	Remarks
Initial negotiations Amendments to laws and regulations Submission of change proposals When article is supplied for the first time in a while (around three years or more)	Information concerning the characteristics and handling of chemical products	SDS	JIS Z 7253	The latest revision must be complied with
	Information on controlled substance content	chemSHERPA-CI	chemSHERPA-controlled substance	The latest revision must be complied with If chemSHERPA-CI cannot be provided, report the content of substances specified as chemSHERPA-controlled substances.
	Analysis data of substances restricted or prohibited by law	High-precision analysis data (Analysis report using ICP analysis, GC-MS, or other highly accurate means of analysis: 10 substances prohibited under the RoHS Directive)	IEC62321 etc	Reports must be issued by ISO/IEC17025-certified analysis laboratories (general requirements concerning the competence of testing and calibration laboratories). A copy of the IEC17025 certificate must be attached to the high-precision analysis report.
	Letter of guarantee	Letter of guarantee issued when a certificate for the non-use of prohibited substances which, if chemSHERPA-CI cannot be provided, states that chemSHERPA-controlled substances are within regulatory limits.	chemSHERPA-controlled substance	

Submission conditions	Classification	Document titles	Standard /Management body, etc.	Remarks
When requested	Information about ingredients	JAPIA datasheet	JAPIA	The latest revision must be complied with
		chemSHERPA-CI	chemSHERPA-controlled substance	The latest revision must be complied with

When suppliers are requested to survey the response to changes in laws and regulations of various countries and changes in restricted materials issued by industry bodies, suppliers are asked to provide full material declarations (FMD) containing information on all chemical substances constituting products subject for review in order to alleviate the burden on clients during re-investigations.

Information on all chemical substances refers to the names and CAS numbers of materials constituting 100% of all parts of the product provided.

[Requirements for high-precision analysis data]

The following items must be included in the report:

- 1) Pre-processing method:
Name of the official method used. If a method other than the official method is used, please provide the name of the method used.
- 2) Analysis method:
Name of the analysis method used, or the official method.
- 3) Name of analyzer:
Name of the person and laboratory responsible for the analysis, and the ISO/IEC17025 certificate number
- 4) Date of analysis:
Provide analysis data within one year of the analysis date.
- 5) Analysis result:
Lower limit value for quantification in the case of ND.
- 6) Analysis flowchart:
The specimen used for pre-processing for analysis must be completely solved into solution. This shall be stated as “complete dissolution” on the analysis report or analysis flowchart.
- 7) Analysis of plating:
Plating must be analyzed separately for both the plating film and the base material. (Analysis results will vary significantly when analyzing the plating film and base material at the same time)
- 8) Photo of the analysis sample:
Provide a photo showing the external appearance of the sample to be analyzed before analysis.

8. Inquiries

For more information, please contact us at:

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