



NS Green Procurement Guidelines

NIPPON SEIKI CO., LTD.

July, 2005
March, 2010

First Edition
Second Edition (Fully Revised)

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Introduction

We appreciate for your continuous support and cooperation in our business activities from development and designing to production and procurement.

As global environmental protection has been a growing concern within the society these years, we acknowledge that environmentally-friendly products and production activities are key issues of management to fulfill company's social responsibilities.

Based on "NS Environment Policy" we perceive that global environmental protection as one of the requirements of product quality. We give serious consideration for the best solution in each process of development and designing, sourcing, production and delivery, and strive for stepwise actions that reduce the environmental impact.

As a part of the activities, we have been planning and working on "Green Procurement" which is to purchase environmentally-friendly parts.

Since our products are produced by parts and raw materials delivered from suppliers, it is essential to cooperate with suppliers, with strong partnership, to achieve our target of environmentally-friendly products and production activities.

"NS Green Procurement Guidelines" are thus, established here as to "purchase environmentally-friendly materials from suppliers promoting environmental business activities".

We appreciate your understanding of the guidelines and ask for your cooperation in disclosure and provision of data.

We hope we can work together on these "green procurement" activities.

Environment Management Supervisor
Senior Managing and Representative Director

Kazuo NIRASAWA

Chief of Sourcing Headquarters
Director

Makoto OKAWA

Request List of "NS Green Procurement Guidelines"

Your actions to the activities of the following list are expected as compliance with laws and regulations, respect to social norm and environmental consideration

(**: Action and report is mandatory. *: Action is requested.

Environmental Action			Article delivered to NS	Raw materials	Products and parts	Secondary materials	Packing materials
(1) Establishment of Environment Management System				**	**	**	**
(2) Management and Reduction of Environmentally Hazardous Substances	[1] Products and others delivered to NS	(a) Compliance with GADSL. ¹		**	**	**	*
		(b) Providing data of materials and environmentally hazardous substances. Archiving "non-use" evidence.		**	**	**	*
		(c) Establishment of environmentally hazardous substance management.		**	**	**	**
	[2] Raw materials, secondary materials and others used in NS production stage	(a) Compliance with GADSL		*	-	*	*
		(b) Providing data of materials and environmentally hazardous substances.		**	-	**	**
(3) Reduction of Environmental Impact in terms of LCA ²				*	*	*	*

Notes:

1. GADSL: Global Automotive Declarable Substance List
 "Declarable and prohibited material list" adopted globally by automotive industry using IMDS
<http://www.gadsl.org/>
2. LCA: Life Cycle Assessment
 An evaluation method of product environmental impact, from production to disposal (including logistics).

(1) Establishment of Environment Management System

Certification by the third-party certification body, ISO 14001 or establishment of environment management system equivalent to ISO 14001 is requested. If not certified, we would evaluate by the followings

- The result of "Self-Evaluation Sheet of Green Procurement for Suppliers"
- Submission of "NS Green Procurement Guidelines" Cooperation Agreement Form

Maintenance, enhancement and renewal of the system is requested if already certified

A self-inspection for the establishment of environment management system is requested to be carried out separately in "Self-Evaluation Sheet of Green Procurement for Suppliers". Countermeasures for improvement may be requested depending on the result

(2) Management and Reduction of Environmentally Hazardous Substances

[1] Raw materials, products and parts, secondary materials (included in final products), and packing materials delivered to NS. (Hereinafter referred to as "products and others".)

The usage of environmentally hazardous substances has been regulated in many nations, such as REACH of EU. In line with these regulations, various original restrictions have been established by our customers. To satisfy both nation- and customer- specific regulations, we have been promoting prohibition and reduction of using environmentally hazardous substances. Requested actions for the usage of environmentally hazardous substances in products and others delivered to NS are specified hereinafter. We appreciate for your cooperation and request your submission of the "NS Green Procurement Guidelines" Cooperation Agreement Form.

(a) Compliance with GADSL

NS has been reducing the usage of environmentally hazardous substances based on GADSL. This is adopted by automotive industry and comprehends RoHS and ELV of EU directives. Please confirm with the latest edition of GADSL. Prohibited substances shall not be contained in goods delivered to NS. Customer-specific requirements of restricted substances besides GADSL, will be informed separately. We would appreciate for your compliance with those requirements, too.

(b) Providing data of materials and environmentally hazardous substances.

As an action for environmentally hazardous substance management, it is necessary to have a quantitative knowledge of environmentally hazardous substances. Thus, we would request your report on all chemical substances contained in all products and others delivered to NS with the following data;

=Request data to be submitted=

•Constituent Investigation Sheet

Priority #1: JAMA/JAPIA Uniform Data Sheet

A constituent investigation sheet standardized by JAMA (Japan Automobile Manufacturers Association) and JAPIA (Japan Auto Parts Industries Association). Investigation sheet may be downloaded from the following web site;
<http://www.japia.or.jp/>
Please confirm with NS for the password.

Priority#2: IMDS / JGPSSI Survey Response Tool

Please use this tool when constituent investigation sheet in above #1 may not be submitted.

IMDS (International Material Data System) is an information-collecting system of environmentally hazardous substances used in automotive industry. The system may be registered from the following web site:
<http://www.mdssystem.com/>
Please confirm with NS for Receiver Company ID (NS Company ID).

JGPSSI stands for Japan Green Procurement Survey Standardization Initiative. Survey Response Tool may be downloaded from the following web site;
<http://www.jgpssi.jp/>

※For customer-specific investigation request, we may ask other tools to be used. We appreciate for your cooperation.

•MSDS

For newly-delivered products and others, please submit MSDS. If any changes in the data, please re-submit the MSDS.

•Evidence (Analysis data such as ICP to prove the non-use of prohibited substances)

For newly-delivered products and others, please submit evidence of non-use of RoHS prohibited substances.

Evidence of non-use of RoHS prohibited substances may be asked to be submitted for products and others that have already been delivered.

(c) Establishment of environmentally hazardous substance management.

Establishment of environmentally hazardous substance management is requested.
To verify the establishment of environmentally hazardous substance management,
we request suppliers for self-inspection. If any inadequacies found,
countermeasures may be requested.

We may conduct audits to investigate the actual condition.

We also request for the management and supervision of second-tier and lower suppliers.

[2] Raw materials, products and parts, secondary materials (not included in final products),
and packing materials used in NS production stage.

(Hereinafter referred to as "raw materials, secondary materials and others".)

Requested actions for the usage of environmentally hazardous substances in
raw materials, secondary materials and others delivered to NS are specified hereinafter.

We appreciate for your cooperation and
please provide us necessary data when requested.

(a) Compliance with GADSL

For the usage of environmentally hazardous substances in raw materials,
secondary materials and others used in NS production stage,
please comply with all regulations of the designated countries together with
GADSL which is previously mentioned in [1] products and others.

(b) Providing data of materials and environmentally hazardous substances.

As written in [1] (b), please provide us necessary data when requested.

(3) Approach to LCA

We, NS, have been promoting environment-oriented design and been making efforts to
reduce environmental impact while improving our product value.

Therefore it is necessary to understand not only the environmental impact of NS
but also that of the supply chain.

Suppliers delivering subjected parts, raw materials, secondary materials and others,
may be individually requested for providing LCA data.

ATTN: NIPPON SEIKI CO.,LTD. , Sourcing Headquarters

**"NS Green Procurement Guidelines"
Cooperation Agreement Form**

We hereby understand and acknowledge "NS Green Procurement Guidelines", the policy for environment protection and to cooperate with the following established by NIPPON SEIKI CO.,LTD.;

1. Compliance with NS Green Procurement Guidelines
2. Investigation of environmentally hazardous substances and taking necessary actions.
3. Providing requested data such as JAMA/JAPIA Uniform Data Sheet, MSDS, and Evidence of non-use of prohibited substances (analysis data).

This agreement is valid continuously unless a written cancellation is accepted by NIPPON SEIKI CO.,LTD.

* The form shall be completed by a supervisor of environmental (or quality) issues.

Date		
Company Name		
Prepared by	Title	
	Name	Signature
	Telephone Number	
	Fax Number	
	E-mail Address	

1. Personal information collected from supplier personnel shall only be used for business customs, such as announcements, congratulations and condolences, season's greetings to the responsible, and to perform necessary business related activities.
2. Personal information collected by NIPPON SEIKI CO.,LTD. shall only be used for the purpose written above.

ATTN: NIPPON SEIKI CO.,LTD.
Sourcing Headquarters

Self-Evaluation Sheet of "Green Procurement" for Suppliers

(NS Green Procurement Guidelines Annex-2)

Document prepared;

YEAR _____ MONTH _____ DATE _____

Company Name	
Department Name	
Environment Management Supervisor	signature
Environment Personnel	signature

【Certification Status of EMS (Environment Management System)】

*If you are scheduled to be certified, please fill in the approximate time in "Certification Plan" column.

EMS Name	Certification Date	Certification Plan	Certification Body

☑ Conforming
 ✗ Non-conforming
 ... Not applicable

Self-Evaluation Check List of Environment Management System

Category	Item	Request	No.	Evaluating Details	Result	Evaluation (Evidence, document, records, etc.)
Environment Policy	Clarification and implementation of environment policy	Environment policy is established by top management in writing. All employees are informed about and understand the policy.	1	•Environment policy is established and approved by the corporate manager.		
			2	•The environment policy is shared with and acknowledged by all employees of the organization.		
Maintenance and Management	Legal and customer requirements	Environmental regulations and documents of customer requirements are controlled and maintained	3	•Environmental regulations and customer requirements documents are listed and controlled.		
			4	•"NS Green Procurement Guidelines" are introduced to relative departments.		
			5	•"NS Green Procurement Guidelines" Cooperation Agreement Form is submitted to NIPPON SEIKI CO.,LTD.		
	Clarification of organization, function and responsibility	Management standard of chemical substances contained in products is established. Function, responsibility and authority of each department is clarified.	6	•Standards, regulations and such regarding management of chemical substances contained in products, are established.		
			7	•Function, responsibility and authority of each department that registers, uses and approves the chemical substances contained in products are clarified.		
	Training	Training for management of chemical substances contained in products is provided.	8	•Environmentally hazardous substances specified by NIPPON SEIKI CO., LTD. are understood and training is provided.		
			9	•Record is kept for environment training regarding management of chemical substances contained in products.		
Audit on environment management (internal audits)	Management of non-use of prohibited substances is systemized and is checked at internal audits.	10	•An item regarding prohibited substances in products is stated in the check list and is checked at internal audits.			
		11	•Result of the audit is reported to the corporate manager.			
Design Control	Design complying with requirements.	Compliance of chemical composition and content in product materials and parts is verified at designing stage.	12	•Product assessment is performed at designing stage.		
			13	•Chemical composition as well as content of materials and parts (including self-recycled materials) are understood.		
			14	•Management data of chemical substances contained in products is recorded.		
Purchase Control	Supplier control (Including second-tier, third-tier, and outsourcee)	Requirements regarding management of chemical substances contained in products are announced and introduced to suppliers.	15	•An item regarding prohibited substances in products is stated and evaluated in the new material selection criteria.		
			16	•Analysis and examination data regarding prohibited substances in purchase materials are traceable.		
			17	•"Restricted Substances List" of "NS Green Procurement Guidelines" is announced and informed to suppliers.		
Mass-production Control	Receiving inspection	Receiving inspection system is established regarding prohibited substances contained in parts and materials delivered from suppliers.	18	•Receiving inspection data of parts and materials are recorded and checked.		
			19	•Receiving inspectors are trained regarding prohibited substances.		
Change Control	Change control	System to immediately inform changes is established.	20	•Changes in materials or chemical composition, content rate and such are notified and applied to NS.		
	Actions for trouble	Actions for trouble regarding chemical substances contained in products are clearly stated.	21	•System is established to inform NIPPON SEIKI CO.,LTD. when inclusion of prohibited substances is detected.		

Evaluation column by
NIPPON SEIKI CO.,LTD.

Not applicable item number	Total evaluation item number	
NIPPON SEIKI CO.,LTD. Sourcing Headquarters		
Year:	Month:	Date:
Approved by	Confirmed by	Prepared by

NIPPON SEIKI CO.,LTD. Evaluation Result		
Score (%)	EMS Certification	
	Yes	
	No (Scheduled)	
	No	

Fill in "✓" mark in appropriate column.

Revision History

Revision Edition	Date	Changes
1st Edition	26th/Jul/2005	Establishment
2nd Edition	1st/Mar/2010	Fully revised

March, 2010
NIPPON SEIKI CO., LTD.

[Publisher]
TQM Promotion Room
Sourcing Headquarters

[Editor, Supervisor]
Engineering Management Department
Consumer Products Division
Quality Assurance Headquarters
Display Products Division