

GREEN PROCUREMENT STANDARDS

(Version 4)

USHIO INC.
ENVIRONMENTAL MANAGEMENT SYSTEM
DECEMBER 2014

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Format 1: Appendix 1 Self-Evaluation of System for Controlling Chemical Substances Contained in Products (Form)

Format 2: Appendix 2 Non-use Certificate Guarantee of Level 1 Prohibited Substances

Format 3: Survey Response Tool AIS Format

Format 4: Appendix 4 Survey Report of SVHCs Stipulated by REACH Regulation

Supplement 1: Chemical Substance Control Level Classification Table

Supplement 3: Instructions for Filling Out AIS Form

Introduction

Towards realization of a sustainable society in harmony with the environment, USHIO INC. observes laws and regulations and is tackling environmental preservation and striving for effective use of limited resources.

To this end, the Harima Division version of the Green Procurement Standards was formulated in December 2003. Subsequently, the first edition of the Green Procurement Standards for the entire Company was formulated in December 2006, followed by the second edition in March 2010 and the third edition in March 2012. These standards are in compliance with laws and regulations in Japan and overseas and are aimed at managing chemical substances contained in products.

We will promote “Green Procurement” vigorously. However, this will require a comprehensive measure which involves the cooperation of both USHIO and our suppliers. We would like to request our suppliers understanding and cooperation with our Green Procurement Standards.

Reference laws and regulations:

* EU RoHS Directive:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:174:0088:0110:EN:PDF>

* REACH Regulation SVHC: <http://echa.europa.eu/web/guest/candidate-list-table>

* REACH Regulation (AnnexXVII), etc.:

<http://echa.europa.eu/web/guest/regulations/reach/legislation>

Revision History

No.	Date of revision	Details of revisions
Version 1	December 2006	First version formulated
Version 2	March 2010	<p>In response to the changes in laws and regulations, such chemical substances as perfluorooctane sulfonate and benzotriazole were newly added. In addition, SVHCs (substances of very high concern) stipulated by the REACH Regulation were added as substances that require survey.</p> <p>To ensure commonality and convenience, the survey formats created by the Japan Green Procurement Survey Standardization Initiative (JGPSSI) and Joint Article Management Promotion-consortium (JAMP) have been adopted.</p> <p>6. Survey and Approval of Materials</p> <p>(1) “Non-use Certificate Guarantee of Prohibited Chemical Substances” revised</p> <p>(2) “Chemical Substance Content Survey” changed</p> <p>Supplement 1 Chemical Substance Control Level Classification Table updated from Ver. 4 to Ver. 5</p>
Version 3	April 2012	<p>Integration of an investigation format (Appendix 3 Chemical Substance Survey Form and the JGP format were unified into AIS.)</p> <p>The number indicating versions shown in a format was deleted. (Please check the website for the latest version.)</p> <p>“Chemical Substance Content Survey” changed</p> <p>Supplement 1 Chemical Substance Control Level Classification Table updated from Ver. 5 to Ver. 6.</p>
Version 4	November 2014	<p>9. Evaluation period revised</p> <p>10. The revision of the Green Procurement Standards as well as the cases where formats are separately specified were added to the Additional Clause.</p>

1. Purpose

USHIO created the “Green Procurement Standards” as guidelines concerning the purchase of materials by pursuing the maintenance and improvement of environmental preservation activities under its basic environmental policies to fulfill its social responsibility through business activities that correspond to as well as take into consideration the demands of the Earth, society and our customers. USHIO will promote procurement together with suppliers in accordance with these Green Procurement Standards.

2. Scope of Application

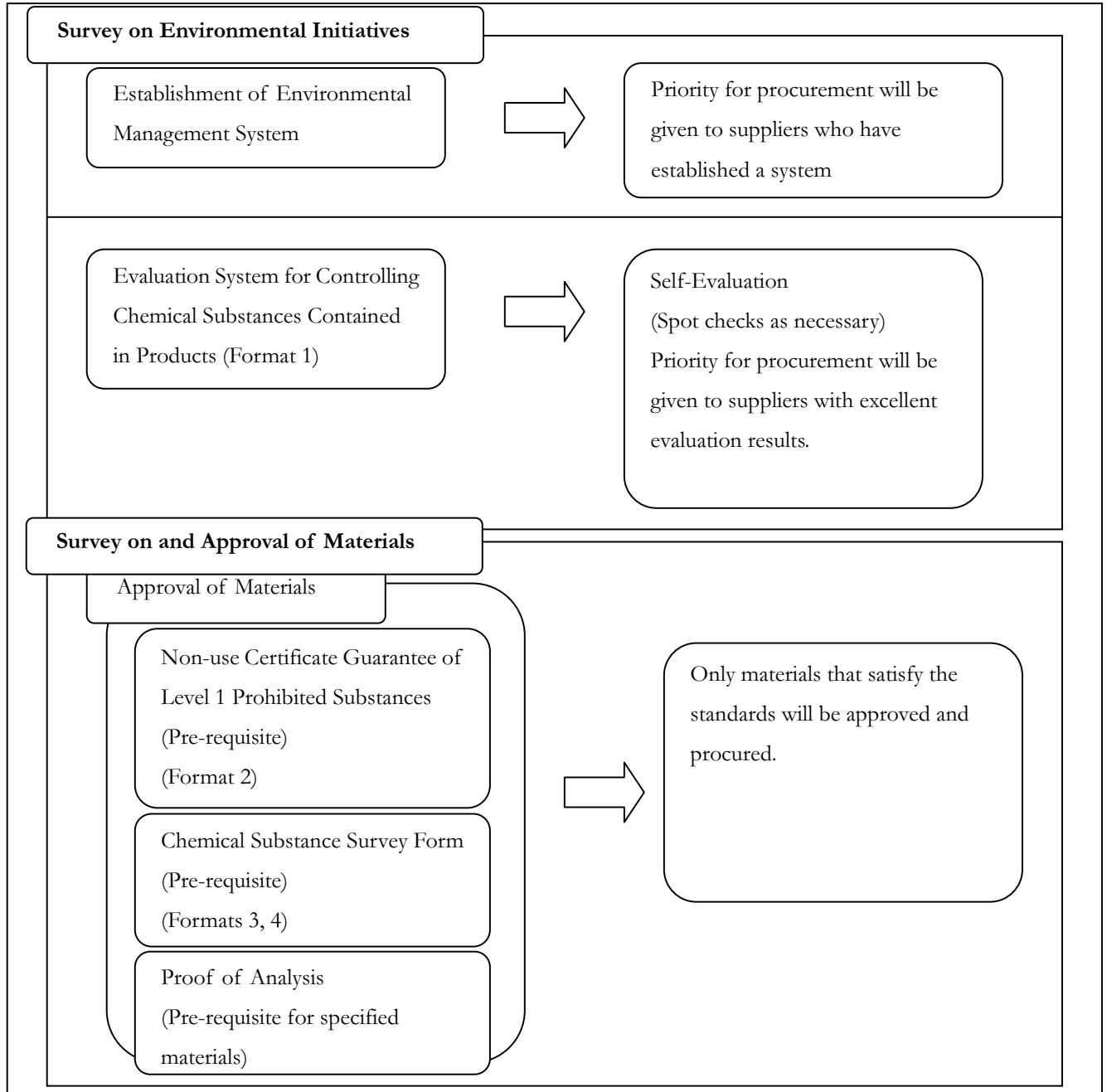
- (1) The standards shall apply to materials used for USHIO products such as parts, semi-finished products (assembled parts, unit parts), primary raw materials, packaging materials and auxiliary materials such as operation manuals.
- (2) The standards shall also apply to things having direct contact with product structure materials or any substances used that could possibly remain in materials, such as cleaning agents, during the production process.

However, the standards do not apply to the following materials.

- (a) Materials supplied by USHIO
- (b) Specified materials approved by USHIO that contain prohibited substances

3. USHIO's Approach to Green Procurement

As indicated in the diagram below, USHIO gives priority to suppliers with excellent evaluation results based on concepts such as "Establishment of Environmental Management System" and "Evaluation System for Controlling Chemical Substances Contained in Products." Furthermore, only materials that satisfy the "Approval Standards for Materials" will be procured.



Note: Formats 1 to 4 are used for preparing documents according to respective purposes.

4. Establishment of Environmental Management System

- (1) USHIO requests suppliers to establish environmental management systems (certification such as ISO 14001, Eco Action 21, etc.) based on compliance with laws and regulations.
- (2) Priority for procurement will be given to suppliers who already have established environmental management systems.

5. Evaluation System for Controlling Chemical Substances Contained in Products

- (1) USHIO will evaluate suppliers based on such documents as Appendix 1 “Self-Evaluation System for Controlling Chemical Substances Contained in Products (Format 1).”
- (2) USHIO will evaluate the information provided and may conduct a review and request for resubmittal as necessary or an environmental audit as necessary.
- (3) Suppliers with outstanding evaluation results will be given priority, and their materials will be procured.
- (4) Suppliers that cannot meet the standards will be requested to improve their environmental management systems by USHIO.

6. Survey and Approval of Materials

Only materials that satisfy requirements for the following items and meet the standards will be procured.

- (1) “Non-use Certificate Guarantee of Prohibited Chemical Substances” (Prerequisite)
The non-use guarantee of prohibited substances in Supplement 1 “Chemical Substance Control Level Classification Table” will be submitted.
The format is based on Appendix 2 “Non-use Certificate Guarantee of Level 1 Prohibited Substances” (Format 2).
- (2) “Chemical Substance Content Survey” (Prerequisite)
 - Survey Response Tool AIS Format (Format 3)

Format 3 is provided by JAMP. Please obtain the latest format from the following URL. (<http://www.jamp-info.com/>)

- (3) Proof of Analysis (Pre-requisite for indicated materials)
There will be cases where USHIO will request the “Proof of Analysis” for appointed materials to be submitted as an attachment in accordance with instructions provided.

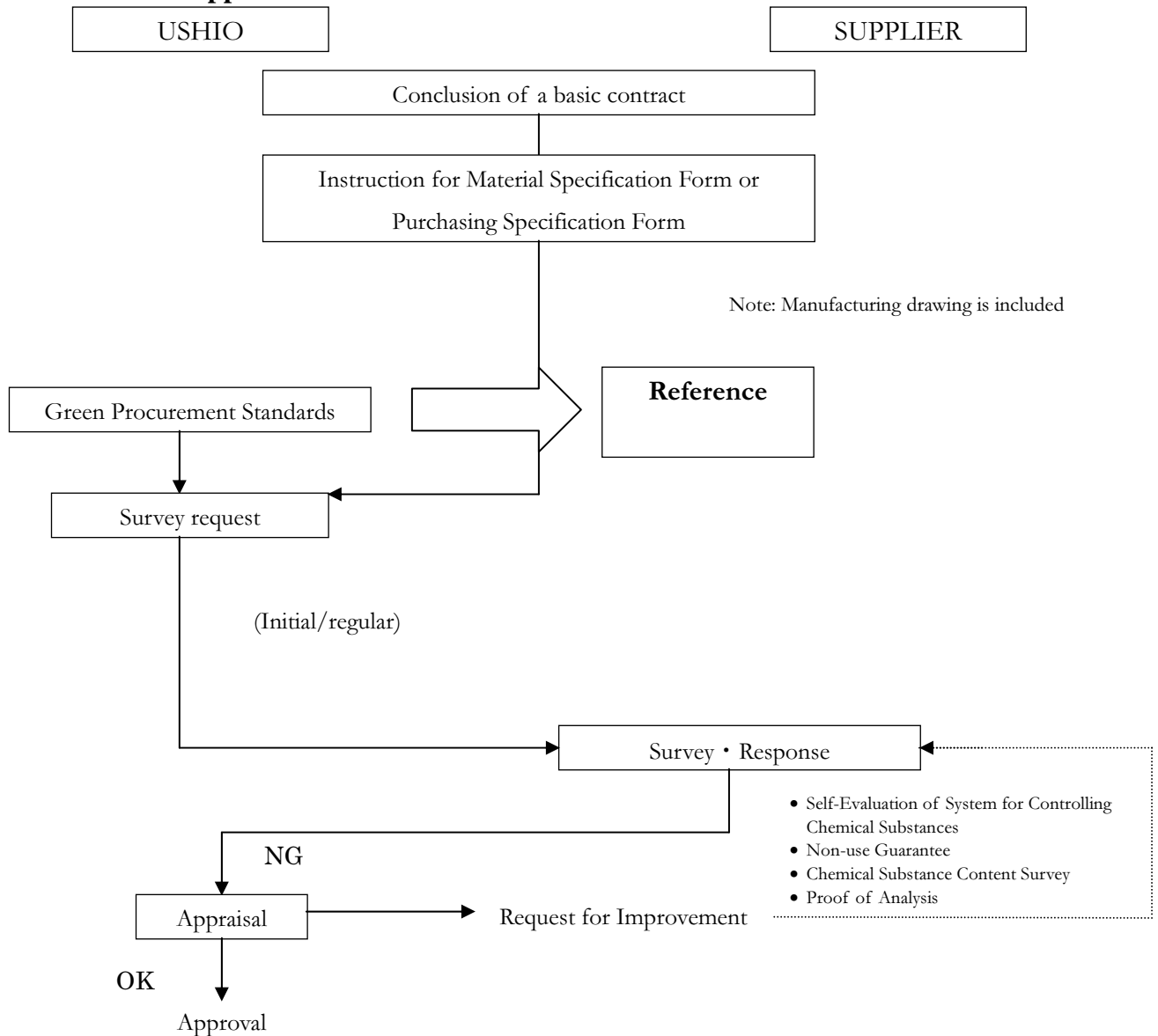
7. Survey regarding REACH Regulation

Surveys regarding SVHCs stipulated by the REACH Regulation will be requested

using the following survey form: Survey Report of SVHCs Stipulated by REACH Regulation (Format 4).

Currently, 155 substances are subject to survey (as of July 2014). Reinvestigation will be conducted when substances are added at a later date.

8. Practical Application



9. Evaluation Period

USHIO will conduct surveys on environmental initiatives and materials related to green procurement as follows.

(1) Survey on Environmental Initiatives

USHIO will request a survey on the establishment of environmental management system and updates of the evaluation system for controlling chemical substances contained in products

Evaluation Period	Details
New contract	At the time of handing out specifications or submission of manufacturing drawings
When suppliers change	At the time of changes in corporate structure of suppliers (as per respective business sites)
Other than those above	Conducted when deemed necessary

(2) Materials Survey

With regard to the materials specified by the department in charge of procuring materials, USHIO will request a survey on and updates of the “Non-use Certificate Guarantee of Prohibited Chemical Substances,” “Chemical Substance Content Survey” and “Proof of Analysis.”

Evaluation Period	Details
New contract	At the time of handing out specifications or submission of manufacturing drawings
When USHIO changes	At the time of any changes in specifications or manufacturing drawings At the time of the revision of standards
When suppliers change	When notified by suppliers
Other than those above	Conducted when deemed necessary

10. Additional Clause

- Pertaining to the information you have provided, please specify details regarding your company's know-how and confidential matters.
- The submitted results and other documents will be used internally by USHIO, and information pertaining to respective companies' know-how and confidential matters will not be disclosed externally except upon mutual agreement or request by public authorities to submit such information.
- These standards conform to JAMP and JGPSSI guidelines. They will be revised according to amendments to the respective guidelines and changes in the social situation and other circumstances.
- The Green Procurement Standards are subject to change without prior notice. Please refer to USHIO's website for the latest version of the standards.
- In case laws and regulations change or customer requests, USHIO may separately specify a format to fill in and conduct a survey.



Lighting—Edge Technologies

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