



SES-QUA-0009-K

SOSHIN ELECTRIC Group

Green Procurement Guidelines

Version 10

双信電機株式会社
SOSHIN ELECTRIC CO., LTD.

SOSHIN ELECTRONICS (M) SDN. BHD.

SOSHIN ELECTRONICS (SZ) LIMITED

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Introduction

The SOSHIN ELECTRIC Group (hereafter, the 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 legal and regulatory frameworks in other countries, has raised the bar for the social responsibility considerations that need to be upheld by corporations.

The Group views the promotion of green procurement as a key role for companies to fulfill, and has revised its Green Procurement Guidelines.

Looking ahead, the Group will comply with environmental laws and regulations by promoting a form of procurement based on its Green Procurement Guidelines, and will work to procure products and services with limited environmental impact from business partners that actively promoted environmental load reduction activities.

To this end, we ask our business partners to take active measures to establish an environmental management system, implement greenhouse gas reduction activities, implement measures that address the drain on water and other resources, and initiatives that tackle biodiversity and comply with responsible mineral procurement (avoidance of conflict minerals).

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

SOSHIN ELECTRIC CO., LTD.

Management Promotion Division, Procurement Department

Management Promotion Division, Human Resources and General Affairs

Department, Safety and Environment Section

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, changed the analysis data of 4 heavy metals to be 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 Controlled Substances].

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”

Version 10 January 1, 2026

Main changes: Changed the List of Environmentally Controlled Substances to be in Excel format.

Revisions to Ver. 6:

Reviewed 4. Scope of Application of Green Procurement

Added high-precision analysis data to (2) Definition of Terms in 6. Environmentally Controlled Substances

Reviewed the materials for submission in 7. Requests for Business Partners

Reviewed the language used over the entire document

Changed the responsible department name.

2. Environmental Activities of the 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

In line with our management philosophy, the Group aims to protect the global environment by delivering products with a low environmental impact. To achieve this, we prioritize the procurement of products and services with a low environmental impact from suppliers involved in environmental conservation. These Guidelines have been established for the purpose of outlining the Group's basic approach to Green Procurement, and details the specific requirements we ask of our supplier partners.

The Group shares issues concerning environmental conservation activities with our suppliers 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

These Guidelines apply to the parts and materials that constitute the products manufactured and sold by the Group. These Guidelines also apply to the procurement of packaging materials (used for shipping the Group's products), as well as equipment, supplies, materials, and tools used in processes, and procurement from subcontractors who manufacture our Group's products.

- * While packaging materials used when delivering to the Group are outside the scope of these Guidelines, we request business partners to manage compliance with environmental laws and standards on their own volition.
- * Facilities, tools, protective gear, molds and other tools for which there is no possibility of contact with products are outside the scope of application.

* Materials that fall within the scope of application may be exempt at the behest of the Group following a consideration of the risks involved and other factors

* Even if any of the prohibited substances is included in materials delivered to the Company, certain materials may still be accepted with the permission of the Company.

5. Start of Application

These Guidelines will take effect on January 1, 2026.

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 and controlled substances.

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, and application must be maintained to 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: A standard issued 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 the CMP 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
- High-precision analysis data: Analytical reports prepared using high-precision analytical methods,

including ICP analysis and GC-MS.

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 of a business partner's facility is deemed necessary, please assist our inspection team with the inspection.

2) Control of environmentally controlled substances

For all goods delivered to us, we request that all substances contained within said goods are understood and controlled in accordance with the Appendix [SOSHIN ELECTRIC Group List of Environmentally Controlled Substances]. In addition, even with regard to substances not on the List, we ask suppliers to comply with substances banned under national product regulations and industry standards,

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 the Group may only be applied based on a contractual agreement following the Group'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 the Group, 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.

The Group requests that supplier 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 times, 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 (materials to be submitted)

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 survey documents requested by the Group as soon as possible.

Materials to be submitted are indicated on the next page.

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

| Submission timing | | Classification | | Document to be submitted |
|---|--|--|--|--|
| During initial negotiations | Required | Confirmation of environmental management system | Common | Memorandum on environmental quality |
| | | | | Green procurement guidelines Receipt and Approval Form |
| | | | | Environmental management system check sheet |
| | | Information on chemical substances in products | Molded item | chemSHERPA-AI or Company-specified product component table |
| | Material | | chemSHERPA-CI or Company-specified product component table | |
| | | SDS | | |
| When requested by SOSHIN ELECTRIC | Confirmation of environmental management system | Common | Environmental practices survey form | |
| | | | Information on chemical substances in products | Common |
| | JAPIA datasheet | | | |
| | Certificate for the non-use of prohibited substances | | | |
| At time of revision of Green Procurement Guidelines and when requested by SOSHIN Electric | Confirmation of environmental management system | Common | Receipt and approval form for green procurement distribution | |
| | | | Information on chemical substances in products | Molded item |
| | Material | chemSHERPA-CI or Company-specified product component table | | |
| | | SDS | | |
| | Common | High-precision analysis data | | |
| | | JAPIA datasheet | | |
| | | Certificate for the non-use of prohibited substances | | |

Business partners are requested to provide full material declarations (FMD) and full substance declarations (FSD) containing information on all chemical substances constituting products subject for review in order to alleviate the burden on clients during chemical substance surveys.

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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