

To Suppliers

# MITSUMI Group Green Procurement Standards First Edition

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## **MITSUMI ELECTRIC CO., LTD.**

Procurement Division  
Environment Promotion Department,  
Quality & Environment Division

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## 1. Introduction

MITSUMI Group thinks that tightly-knit cooperation ties with suppliers are indispensable to manufacture high-performance/high-quality electronic components. When items are procured, we give consideration to quality, prices, deliveries, the environment and the like to conduct fair and just purchasing activities and request suppliers to understand and cooperate with our efforts. Since environmental impacts resulted from products, parts or materials themselves and their manufacturing processes are particularly considered to be an environmental problem, initiatives to reduce environmental impacts (consideration for the environment) are strongly needed.

MITSUMI Group assumes that “Green Procurement” means initiatives to procure environmental-friendly items preferentially, and has carried out environmental impacts reduction that is recognized as most important in environmental protection promotion activities. Based on Green Procurement, we also promote “CSR Procurement” from suppliers promoting CSR initiatives such as respect for human rights and improvement of working conditions.

We kindly request your understanding and cooperation with this “Green Procurement Standards” in which we present our requests to suppliers concerning Green Procurement and CSR Procurement.

### 1.1 Purpose

MITSUMI Group prioritizes procurement of items and services from such suppliers that actively promote establishment and continuous improvement of their environmental management systems and environmental quality assurance systems (appropriate control of environment related chemical substances), initiatives for biodiversity conservation and procurement in which CSR is considered. We request suppliers to utilize these standards as a business item to provide environmental-friendly and CSR-conscious items and services.

### 1.2 Scope

These standards shall apply to all items (parts, materials, sub-materials and packaging materials) and services constituting MITSUMI products.

### 1.3 Definitions of Terms

(1) Environment related chemical substances

Refer to substances, among chemical substances contained in parts, materials, sub-materials, packaging materials and the like, which have significant effects on human body or global environment and are specified by MITSUMI Group.

(2) Environmental quality

Refers to quality required of products which relate to the environmental impacts by chemical substances contained in the products. It includes initiatives to appropriately control environment related chemical substances.

(3) Business activities

Refer to activities relating to product lifecycles (procurement of raw materials, manufacture, transportation and sale, usage and maintenance, collecting and recycling). Further, land use is also included in business activities.

(4) CSR

Refers to giving consideration to Corporate Social Responsibility such as legal compliance, respect for human rights, improvement of working conditions, environmental conservation, and abidance by corporate ethics in the entire supply chain.

(5) Conflict minerals

Refer to “columbite-tantalite (coltan) (tantalum), cassiterite (tin), gold, wolframite (tungsten), or their derivatives” and “any other mineral or its derivatives determined by the Secretary of State to be financing conflict in the Democratic Republic of the Congo (DRC) or an adjoining country.”

Source: Dodd-Frank Wall Street Reform and Consumer Protection Act, Section 1502 “Conflict minerals”

- (6) DRC conflict free  
Refers to the products which do not use minerals that result in direct or indirect financing or benefiting for armed groups in the Democratic Republic of the Congo or an adjoining country.
- (7) Biodiversity  
Refers to connections among numerous lives present on the earth from animals and plants to microorganisms. It includes three levels of diversity, diversity of ecosystem, diversity among species, and genetic diversity.

## 2. MITSUMI Group Environmental Policy

Mitsumi Group has conducted various environmental protection promotion activities up to now including: establishment of Company-Wide Ad Hoc CFC Committee in Jan. 1990, abolishment of specific CFCs and trichloroethane and establishment of Environment Headquarters in Jun. 1993, Establishment of Company-Wide Environmental Committee in Dec. 1993, and Initiation of Environmental Protection Promotion Activities Plan (Voluntary Plan) in Aug. 1994.

As declaration of our intention involved in environmental protection promotion activities, company-wide common environmental policy was established in Aug. 2004, and environment policies of the entire Mitsumi Group in Japan and abroad were issued on Feb. 16th, 2010. Contents relating to biodiversity conservation were added on May. 18th, 2011.

Based on the basic philosophy and the fundamental policy of the environmental policy, MITSUMI Group will continue to carry out environmental protection promotion activities from now on. We kindly request your understanding and cooperation.

### 2.1 Basic Philosophy

MITSUMI Group places the initiatives to address the global environment (harmony with nature and the environment) as one of the most important management issues. In all aspects of our business activities, we act cooperatively and faithfully to protect the earth's environment with an awareness of global movement.

### 2.2 Fundamental Policy

MITSUMI Group, as a general electronics component manufacturer, appropriately evaluates the impacts of various business activities, products and services in Japan and abroad on biodiversity and the global environment, and promotes compatibility between environmental protection promotion activities and business activities.

We specify objectives and targets to suppress environmental impacts as far as technologically and economically possible and promote continuous improvement of our environmental management system and prevention of environmental pollution. We aim to realize the basic philosophy as a corporation trusted widely by local society.

- (1) An environmental management system shall be established by the environment management organization under the direct control of the general manager to promote activities for conserving the global environment.
- (2) Legal and regulatory obligations, ordinances, regional agreements, customer requests concerning product environmental quality and other agreed requirements that are applicable with relation to environmental aspects shall be complied with and voluntary control standards shall also be established if necessary to reduce environmental impacts and promote environmental conservation.

- (3) Development of environmentally-friendly products shall be conducted in which resource-saving, electricity conservation, non-use of toxic substances, recyclability, reduction of impacts on ecosystem and the like are focused on from the R&D and design phases of the products.
- (4) Substances that have environmental impacts such as ozone layer-depleting substances or toxic chemical substances shall be eliminated by adopting alternative techniques and replaced by alternative substances as far as possible.
- (5) In all aspects of business activities, environmental conservation shall be conducted, for example, resource-saving, energy conservation, recycling, reduction of wastes and pollutants and decrease of greenhouse gases such as carbon dioxide.
- (6) Environmental internal audits shall be carried out regularly to maintain and improve the environmental management system.
- (7) All employees, members and related persons shall be informed of this environmental policy. Education and enlightenment shall be provided with the aim of enhancing environmental awareness and improving conservation activities qualitatively.

### 3. Requests to Suppliers

#### 3.1 Establishment of Environmental Management System

MITSUMI Group recommends each supplier to establish an environmental management system and acquire external certification (ISO14001, Eco Action 21, Ecostage, etc.) for objective evaluation of the system. Suppliers that have already acquired external certification are requested to continuously apply and improve their environmental management systems. The other suppliers that have not acquired external certification are requested to consider and conduct the following items (1) to (7) to establish their own management systems.

- (1) Establish environmental policy
- (2) Specify, practice and maintain environmental objectives and targets
- (3) Establish framework of environmental organization
- (4) Provide environmental education and training
- (5) Ensure compliance with environmental related laws and regulations and other requirements (customer requests, etc.)
- (6) Implement environmental internal audits
- (7) Evaluate effects of environmental protection promotion activities and improve them

#### 3.2 Appropriate Control of Environment Related Chemical Substances

MITSUMI Group asks suppliers as a requirement to appropriately control environment related chemical substances contained in the items consisting of MITSUMI products and to guarantee the appropriate control. Environment related chemical substances shall be divided into four control classes such as "Prohibited substances (AA)" and controlled based on laws and regulations on chemical substances and customer requests. For more details, please refer to "Environment Related Chemical Substances Control Guideline" and "Guidance concerning Environmental Quality Assurance (for Suppliers)" issued by MITSUMI Group. As "Environment Related Chemical Substances Control Guideline" is available in MITSUMI ELECTRIC homepage, we ask you to confirm and utilize it.

In Japanese, English and Chinese <http://www.mitsumi.co.jp/profile/eco.html#5>

"Guidance concerning Environmental Quality Assurance (for Suppliers)" is provided to each supplier by MITSUMI Group when transactions with the supplier are commenced.

“Environment Related Chemical Substances Control Guideline” and “Guidance concerning Environmental Quality Assurance (for Suppliers)” may be revised due to changes in laws and regulations, customer requests and the like.

Furthermore, MITSUMI Group conducts “Environmental Quality Assurance System Audit (Supplier Audit)” in order to confirm a framework for chemical substance control in each supplier. We ask a supplier to conduct a self-audit in advance. In case that an on-site audit is judged to be necessary based on results of the self-audit, MITSUMI Group conducts an on-site audit to evaluate a framework for chemical substance control of the supplier. If any deficiencies are identified in the control framework of the supplier by the audit, MITSUMI Group may request improvements and ask the supplier to implement the improvements. We need your understanding and cooperation.

### 3.3 Initiatives for Biodiversity Conservation

Biodiversity means connections among numerous lives present on the earth from animals and plants to microorganisms. Biodiversity serves as a basis of resources to be supplied, supporting business activities as well as our lives. Business activities without adequate control on use of resources can cause serious environmental effects such as global warming and make impacts on biodiversity. It is proposed by the United Nations that corporations play significant roles in biodiversity conservation.

MITSUMI Group, understanding biodiversity and its importance, promotes initiatives for biodiversity conservation that are defined in the following three steps as a part of environmental protection promotion activities. We ask suppliers to understand and cooperate with MITSUMI Group's initiatives for biodiversity conservation.

#### First step: Announcement of initiatives

We announce our attitude toward initiatives for biodiversity conservation inside and outside MITSUMI Group.

##### Example

- Announcement of initiatives for biodiversity conservation on website and documents

#### Second step: Implementation of activities

We implement specific activities for biodiversity conservation that are possible in MITSUMI Group.

##### Example

- Procurement of items that can be reused and recycled
- Promoting resource-saving such as saving water and electricity in business activities
- Greening activities (planting trees, building ponds, etc.)
- Nature observation and provision of information inside our corporation (improvement of awareness on biodiversity conservation)

#### Third step: Expansion of scope for initiatives

We expand the scope of the initiatives by encouragement to the supply chain including suppliers and cooperation with external organizations.

##### Example

- Issuing Green Procurement Standards for suppliers
- Holding briefing sessions for suppliers
- Participation in biodiversity conservation activities of external organizations (greening activities, forest maintenance, etc.)
- Exchange of information about biodiversity with external organizations

### 3.4 Promotion of CSR Procurement

MITSUMI Group, as a corporation expanding its business globally, is required that not only our group but also the entire supply chain including suppliers carry out business activities in which CSR issues, such as legal compliance, respect for human rights, improvement of working conditions, environmental conservation and abidance by corporate ethics, are considered. As a part of initiatives to achieve it, MITSUMI Group promotes “CSR Procurement”. We aim not only to comply with laws and regulations but also to conduct fair and just purchasing activities in accordance with social standards and ethics. We ask suppliers to understand and cooperate with us.

As a part of CSR activities, we also need your understanding and cooperation for no-use of conflict minerals that are mined in the Democratic Republic of the Congo or an adjoining conflict areas and finance armed groups there.

We may request suppliers to conduct investigations and report the results concerning usage of these conflict minerals. We need your understanding and cooperation with the investigations, through which MITSUMI Group promotes procurement of items that can realize DRC conflict free.

Reference: Dodd-Frank Wall Street Reform and Consumer Protection Act, Section 1502 “Conflict minerals”

## 4. Related Documents

- Environment Related Chemical Substances Control Guideline AE-01-0001
- Guidance concerning Environmental Quality Assurance (for Suppliers) AE—01-0007

### Revision history

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