

**TAIYO, LTD.**  
**Green Procurement Guideline**  
**(Ver.3.1)**



**EQUIPMENT**  
**FOR GREEN**

## **Preface**

Taiyo has aggressively addressed global environment-related issues based on the policy: “Global environmental protection is one of the top priority tasks given to mankind.”

We recognize it is indispensable to procure materials and components with less impact on the environment for the environmentally-friendly products. To this end, we have established “Taiyo Green Procurement Guidelines”.

In accordance with it, we intend to pursue the goal to manufacture environmentally-friendly products, which will lead to the global environmental protection.

Successful Green Procurement cannot be achieved without the active cooperation of our suppliers. We would like to ask for your support and cooperation.

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## Environmental Policy

### <Philosophy>

With acknowledgement that global environmental protection is the mission on the front given to mankind, we contribute to global environmental preservation and societies through all the business activities, products and services we provide.

### <Policy>

We at Taiyo contribute to environmental preservation based on the following policy through our business of engineering, developing, manufacturing and supplying industrial machine and equipment.

1. Make endeavors to protect the natural environment and prevent environmental pollution by establishing environmental management system with sustained improvement.
2. Strive to protect the regional and global environment by complying environmental regulations and laws
3. Challenge to diminish the environmental impact through our business activities. Especially the following efforts are focused on:
  - 1) Minimize the environmental impact of our new developed products.
  - 2) Promote energy saving, recycling and resource saving.
  - 3) Prevent environmental pollution caused by chemical substances such as organic solvents.
4. Each division sets its own environmental objective and goal and work together to promote it as an environmental preservation activity.

We carry out and maintain the environmental policy and communicate it to the general public if required in addition to all the employees.

July 1, 2014

Takashi Ishikawa / TAIYO, LTD

## 2. Taiyo's Basic Approach to Green Procurement

### 1. Objective

We shall increase the purchase of materials less impact to the global environment, or shall carry out more "Green Procurement" to manufacture more environmentally-friendly products. We shall endeavor to move forward environmentally-responsible management in cooperation with highly environment-conscious suppliers.

### 2. Definition

We shall procure less-environmental burdened products, semi-finished products, parts, materials and services, etc. from suppliers who are active in environmental protection on the basis of recycling, resource saving and energy saving

### 3. Scope

#### 1) Suppliers

Direct suppliers who supply the materials of the below 2) to Taiyo.

Indirect suppliers shall be given the instruction by the direct suppliers.

In case of a sales company, it should instruct its manufacturing suppliers.

#### 2) Materials

All the materials which are consumed for product manufacturing by Taiyo.

- a) Component, raw materials, auxiliary materials, and commercially available parts including purchased goods, subcontracted goods
- b) Accessories of the products
- c) Packing materials
- d) Instruction manual

### 4. Implementation plan (supplier's commitment)

Taiyo requires suppliers to practice environmental protection activities and to supply less-environmental impact products as follows. For details, please see the appendix 1 and 2.

#### 1) Environmental protection activities

- a) ISO 14001 certification has been obtained or under preparation.
- b) Green procurement has been practiced or under preparation.
- c) The followings are done even ISO 14001 has not been obtained.
  - The environmental policy of your company is set and the continuing effort to

improve the environment and comply with the law is pledged.

- The environmental goal is oriented and the organization with responsible person for it is set up.
- Emergency response system including assurance of traceability is established.
- ISO 9001 certification is obtained, or the quality of products can be guaranteed even ISO 9001 has not been obtained.

## 2) Materials with less environmental impact

### a) Reduce the environmental burden

- Check if the material have decreased size and weight, longer product life, resource saving, energy saving.
- Check if the material is intended to be reduced, reused and recycled.

### b) Reduce the environmental impact substance

- Check if the material doesn't contain prohibited substance settled by Taiyo
- Check if a chemical content data of managed substance settled by Taiyo is made.
- Check if the restriction substance stipulated by law is properly controlled.

## **3. Restriction Substances Management Rank Guidelines**

### 1. Objective

The purpose of this guideline is to improve environmental quality of the products produced and sold by Taiyo by clarifying the hazardous chemical substances if contained in the components, materials, etc of Taiyo products, with intent to carry out the Taiyo environmental policy and reduce the environmental impact substance.

### 2. Definition of Management Rank

The terms used in the guidelines are based on the following definitions in 2 ranks:

#### 1) Prohibited Substances

- Substances whose use is prohibited by existing regulations in Japan, or substance whose use will be prohibited by the set time limit.
- Substances whose use is independently prohibited by Taiyo (incl. regulations at home and overseas)

- Substances whose intentional use is prohibited by law must be promptly abolished for use. In the case where unremovable substance is expected to be included as impurities without intention, an allowable value shall comply with its threshold.

## 2) Managed Substances

- Intentional use of these substances is not restricted, but appropriate recycling or disposal methods must be considered.
- Actual intentional use of substance whose the content exceeds the regulated value must be recorded.(parts and q'ty)
- The managed substance in this guideline is substance provided in the laws and regulations of the following in the country and outside the country.
  - Japan Chemical Substances Control Law (Class I specified substance)
  - Japan Industrial Safety and Health Law (Substances that are prohibited from manufacture)
  - Japan Poisonous and Deleterious Substances Control Law (Specified toxic substances)
  - EU REACH

## 3. Reference

The followings are main domestic and foreign laws we used when selecting prohibited substances.

### (Laws in Japan)

- Industrial Safety and Health Law
- Chemical Substances Control Law
- Poisonous and Deleterious Substances Control Law
- Water Pollution Control Law
- Law Concerning Special Measures against Dioxins
- Law Concerning the Protection of the Ozone Layer through the Control of Specified Substances and Other Measures
- Law Concerning the Promotion of the Measures to Cope with Global Warming
- Law Concerning Reporting, etc. of Releases to the Environment of Specific Chemical Substances and Promoting Improvements in Their Management
- Endocrine Disruptor

(Laws in foreign countries)

- EU Toxic Substances Control Act (EU REACH)
- European Parliament & Council Directive on Packaging and Packaging Waste
- Germany: EU Chemicals Legislation
- Germany: Consumer Goods Ordinance
- Germany: Dioxin Ordinance
- Denmark: Formalin Act
- The Netherlands, Denmark: Chemical Substances Regulations
- EU: Restriction of the use of certain hazardous substances in electrical and electric equipment(RoHS)

4. Restriction substance

Attachment 4 shows the regulated substances specified by Taiyo.

5. Changes of restriction substance

Restriction substances may be revised according to legal revision at home and overseas.

#### 4. Supplementary Clause

This guideline shall be revised when required due to changes in social situations.

Revision record

Version	Date	Details
Ver. 1.0	Aug 20, 2005	Enacted
Ver. 2.0	Dec 25, 2008	Environmental Policy ,Contact
Ver. 2.1	Jan 20, 2011	Contact
Ver. 3.0	Aug 20, 2012	Management rank and attachment 4
Ver. 3.1	Sep 26, 2014	Environmental Policy