



Green Procurement Guidelines



February 1, 2023

Murakami Corporation

Global Purchasing Department

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<Introduction>

●Environmental Activity

We do, and always will, engage in environmental protection, so that our fragile and irreplaceable natural surroundings may be enjoyed by future generations.

●Environmental Policy

We conduct environmental activities that pursue "manufacturing that is kind and comfortable to people and the earth,"

We aim to be a company that serves people through our business.

1.Compliance with environmental laws and prevention of environmental pollution

We will comply with environmental laws and promote the prevention of environmental pollution.

2.Environmentally Friendly Product Development and Production Activities

Develop products that take into account substances of environmental concern and recycling from the product development stage, We will implement production activities that can be maintained and managed.

3.Living in Harmony with Local Communities

We value ties with local residents through environmental preservation activities and environmental contribution activities.

4.Carbon Neutral Initiatives

We will work together as a group to promote carbon neutral. Murakami carries out environmental activities in pursuit of “comfortable Monozukuri that is kind to people and the earth”, and we aim to be a company that “Serves people” through our business.

April 1st, 2022

Taro Murakami
President & CEO

●ISO14001 Certification

In response to environmental concerns in the 21st century, our company began an “environment management system” in January 2001. We conduct business activities with due consideration to the environment.

We have maintained ISO 14001 certification since December 2001. Our certification encompasses all of our domestic affiliated companies.

The Murakami Kyushu facility, which was constructed at a later date, also obtained ISO 14001 certification in December 2013.

●Certified offices and affiliated companies

All domestic locations, including five affiliates:

*Headquarters *Fujieda plant *Oigawa plant *Tsuiji plant

- Eijie Corporation • Murakami Kasei Corporation • Murakami Business Service Corporation
- Murakami Kyushu Corporation • Murakami Express Corporation

<Green Procurement Concept>

●Objective

By promoting green procurement, we aim to provide our customers with environmentally friendly products and contribute to the preservation of the global environment by encouraging a recycling-oriented society.

●What is Green Procurement?

Our environmental management system (EMS) prioritizes the procurement of environmentally low-impact raw materials, parts, and products from suppliers who promote environmental preservation activities such as waste reduction and global warming prevention.

<Request to Suppliers>

●Establishing an Environment Management System

Our environmental preservation activities are systematically managed and continuously improved upon. We also ask our suppliers to create their own environmental management systems capable of promoting environment preservation and achieving continuous improvement.

In order to ensure this, we request that our suppliers acquire external certification such as “ISO 14001” and “Eco Action 21,” and keep it up to date.

●Managing SOCs

Our company abides by laws and regulations regarding environmentally hazardous substances such as the European ELV Directive, the RoHS Directive, and REACH regulations, and strives to meet customers' requirements. Suppliers are requested to report parts and products delivered to us that fall under one or more of these laws and regulations. Further instructions can be found in the “Drawings and technical instructions” received from our design department. (Automotive related: H-C-05; Consumer related: H-C-06)



*Requests to management the four phthalate ester substances regulated by the RoHS Directive and REACH Regulations

The RoHS Directive of July 2019 and the REACH Regulation of July 2020 regulate the following four phthalates:

[4 Phthalates]

- DEHP (CAS No117-81-7) : Di(2-ethylhexyl) phthalate
- DBP (CAS No84-74-2): Dibutyl phthalate
- BBP (CAS No85-68-7): butyl benzyl phthalate
- DiBP (CAS No84-69-5): diisobutyl phthalate

Phthalates are commonly used as plasticizers for vinyl chloride and rubber products, but there are concerns about contamination due to misuse, contamination during the manufacturing process, and contamination due to migration of plasticizers. Therefore, it is necessary to implement thorough and reliable the supply chain.

(1) Incorrect use and contamination prevention in the manufacturing process

The four phthalate esters subject to regulation have been changed to alternative substances, but they are still used in manufacturing processes that use plasticizers, processes that mix plasticizers into base materials, and molding processes for vinyl chloride rubber. Contamination of the four phthalates in products cannot be eliminated the manufacturing process. Container are differentiated for each type of plasticizer.

When using the same manufacturing process, container, etc. for the four phthalate esters and alternative plasticizers, it is necessary to wash and clean the manufacturing process, container, etc., and periodically manage the contamination status.

(2) Prevention of migration contamination in the manufacturing process

Plasticizers are known to migrate from moldings and plasticizer-containing products to other moldings and products depending on the conditions of use. Therefore, unintentional migration contamination must be taken care of.

If your company's suppliers or shipping destinations use electrostatic mats, tools, rubber gloves, plastic bags, etc. that use phthalates, the plasticizer will migrate into the product if the product comes into direct contact with these. increase. gain. Before we can proceed, we have to do something. To eliminate the risk, it is desirable not to use electrostatic mats, jigs, rubber gloves, plastic bags, etc. that use the four phthalate ester substances. Strictly control so as not to exceed 1,000ppm.

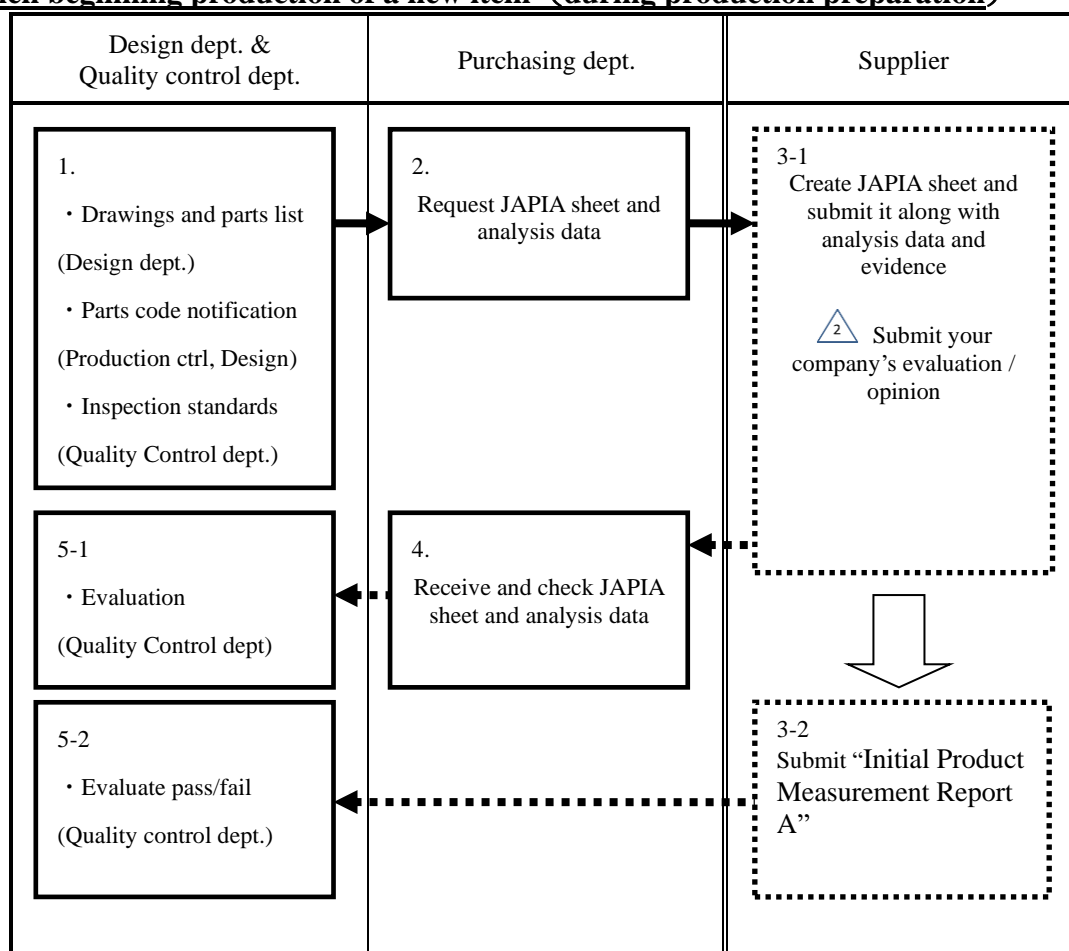
(Scope of application)

These regulations apply to chemical substances contained in our following products and parts.

1. Products and parts manufactured based on product drawings, parts drawings, and/or technical instructions (excluding customer-supplied products)
2. Secondary materials used for products and parts (tape, solder materials, adhesives, etc.)
3. Parts related to the product (instruction/installation manuals, identification tape, identification markers, etc.)

<Request to Suppliers>

•When beginning production of a new item (during production preparation)



(Procedure)

1. Transfer of Information

Standard workflow at the production preparation stage:

(1) Design/Production Control/Quality Control departments → (2) Purchasing department → (3) Supplier
→ (4) Purchasing department → (5) Quality Control department

2. Required Documents/Data

1. JAPIA sheet

Suppliers of parts/products should evaluate substances based on Murakami standards. Suppliers are then requested to submit a JAPIA sheet to our Purchasing department and attach evidence of the analysis data as necessary.

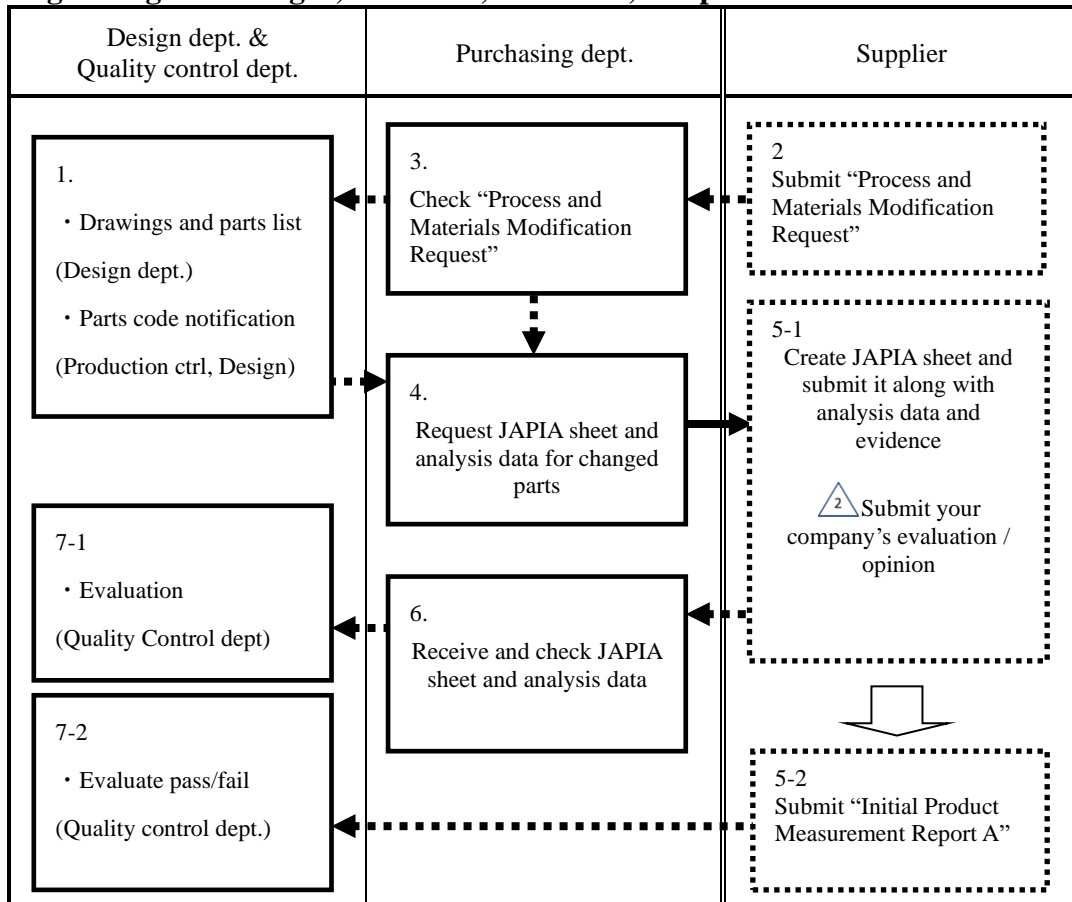
Thank you for your cooperation in disclosing all materials. Please keep data up to date even after submission.

* When conducting your in-house evaluation, make sure that you are using the most recent versions of the Murakami management standards and JAPIA sheet.

2. Initial Product Measurement Report A (Form 094)

Please submit this form when the first product is delivered. Be sure to check the box indicating presence/absence of SOC substances.

●Making Changes to Designs, Processes, Materials, or Specifications



(Procedure)

1. (1): For design changes, the design department prepares a drawing and parts list for the parts in question, and submits it to the purchasing department.
2. (2): For process or material changes, the supplier submits Form 063: “Process and Materials Modification Request (M/S)” to the purchasing department. (Depending on the contents, design changes may be necessary)
3. The purchasing department checks (3): the “Process and Materials Modification Request (M/S)” form and requests a JAPIA sheet (4) from the supplier.
4. The supplier prepares a JAPIA sheet (5-1) and Initial Product Measurement Report A (5-2) and submits them to the purchasing department (same process as the Production Preparation chart on the previous page).
5. The supplier submits the Initial Product Measurement Report A to the quality control department when the modified initial product sample is delivered, and asks for an evaluation (7).

〔Terminology〕

※**JAPIA SHEET**: JAPIA unified data sheet (Japan Auto Parts Industries Association agreement form)

The JAPIA sheet is a official form created by the Japan Auto Parts Industries Association (JAPIA) for surveying the materials and compounds contained in products in order to comply with environmental regulations (there is no financial burden for suppliers). The operation and format of the JAPIA data sheet was consolidated in April 2020.

※**IMDS**: International Material Data System (Standard material data collection system for the automobile industry)

IMDS is a material database for the automobile industry that is used to manage the amount of restricted substances contained in vehicles.

Material data is collected in order to comply with various environmental protection laws and regulations. Automobile manufacturers collect the data through their supply chain (suppliers).

Usage fees are paid by the automobile manufacturer, so there is no financial burden on suppliers.

< Change History >

Version	Published date	Revision details	Approved	Checked	Issued
	Effective date				
0	2019.09.25	Newly issued as Green Procurement Guidelines	2019.10.14 Okimoto	2019.10.2 Kasuya	2019.10.2 Sugiyama
	2019.10.01				
1	2019.11.25	Added English version	2019.11.28 Okimoto	2019.11.25 Kasuya	2019.11.25 Hida
	2019.12.01				
2	2021.5.31	Partial change in operation method for "Murakami Corporation Standards for Controlling Chemical Substances in Products"	2021.6.21 Kasuya	2021.6.21 Hida	2021.6.21 Sugiyama
	2021.7.1				
3	2021.4.13	Environment policy update	2022.4.14 Akayama	2022.4.13 Hida	2022.4.13 Sugiyama
	2021.4.1				
4	2023.1.25	Added request to manage phthalic ester	2023.1.31 Akayama	2023.1.30 Hida	2023.1.30 Matsunaga
	2023.2.1				