

Standard Number: OSC4013 (Edition 15)	Title: Green Procurement Standards	Issue Date: March 29, 2024 Issuing Department: Product Compliance Research and Testing Dept.	1 of 6
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Contents

1. Purpose	2
2. Scope	2
3. Normative references.....	2
4. Terms and Definitions	2
4.1 Environmental related Substances to be Controlled:	2
4.1.1 Prohibited Substances:.....	2
4.1.2 Substances targeted to be eliminated completely:	2
4.1.3 Controlled Substances:	2
4.1.4 Excluded:	2
4.1.5 Exemption:.....	2
4.2 Substances:.....	3
4.3 Preparations:	3
4.4 Reportable Applications:	3
4.5 Threshold Level:.....	3
4.6 Substances of Very High Concern (SVHC) :	3
4.7 Homogeneous Materials:	3
4.8 Intentionally Added:.....	3
4.9 IEC 62474:	3
4.10 Joint Article Management Promotion-consortium (JAMP) :.....	4
5. Principles of Green Procurement Standards.....	4
5.1 Environmental Management System for Business Activities.....	4
5.2 Performance of Business Activities.....	4
5.4 Performance of Parts and Materials	4
6. Requirements.....	4
6.1 Requirements Related to Business Activities	4
6.1.1 Requirements Related to an Environmental Management System for Business Activities	4
6.1.2 Requirements Related to Performance of Business Activities	5
6.2 Requirements Related to Parts and Materials.....	5
6.2.1 Requirements related to the Management of Chemical Substances in Products ...	5
6.2.2 Requirements Related to Performance of Parts and Materials	5
7. Submission of Documents	5
7.1 Submission of “Survey on the Management System for Chemical Substances Contained in Products”	5
7.2 Submission of Survey and Response Format	5
7.3 Submission of Certificate of Assurance for non-usage of Prohibited Substances	5
8. Other	6
9. Effective Date.....	6

Standard Number: OSC4013 (Edition 15)	Title: Green Procurement Standards	Issue Date: March 29, 2024 Issuing Department: Product Compliance Research and Testing Dept.	2 of 6
--	---	--	--------

1. Purpose

This Standard specifies a set of standards based on which Oriental Motor Co., Ltd. and its affiliates (hereinafter referred to as "Oriental Motor") will procure products, parts, materials, packaging materials and other articles free from environment related substances to be controlled, in order to help Oriental Motor and its suppliers practice environmentally aware manufacturing and promote their efforts toward preservation of the global environment, thereby contributing to the creation of a sustainable society.

2. Scope

This Standard applies to procurement of materials, parts, products and other articles (hereinafter referred to as "Parts and Materials") specified by Oriental Motor, and covers the following

- Accessories
- Operation manuals, Packaging materials
- Subsidiary materials(Adhesives, grease, etc. contained in products and parts)
- OEM products

Also, for the parts and materials which require more severe requirement than this Standard due to the customer requirement, application of more severe requirement than this Standard may be requested.

3. Normative references

The following referenced documents are indispensable for the application of this document. For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

IEC 62474 Material declaration for products of and for the electrotechnical industry

4. Terms and Definitions

4.1 Environmental related Substances to be Controlled:

Environmental related Substances to be Controlled shall be controlled based on the following three levels and exemption.

4.1.1 Prohibited Substances:

Use of these substances and their applications is prohibited.

4.1.2 Substances targeted to be eliminated completely:

Use of these substances and their applications will be completely eliminated by a specified target date. Upon arrival of the specified date, these substances will be reclassified as "prohibited substances."

4.1.3 Controlled Substances:

These substances meet either of the following conditions and are controlled based on an understanding of the state of their actual usage:

- The substance may be regulated under an existing regulation in Japan or abroad and/or a requirement exists that applies specifically to the applicable chemical substance but the effective date of such requirement is unclear.
- The substance is not regulated, but there is a generally accepted market requirement to report the contents of the applicable chemical substance in electrical/electronic products.

4.1.4 Excluded:

Not used in Oriental Motor products.

4.1.5 Exemption:

Substances or applied parts that are exempted under the applicable regulation or which have no alternative technical solutions at the present.

Standard Number: OSC4013 (Edition 15)	Title: Green Procurement Standards	Issue Date: March 29, 2024 Issuing Department: Product Compliance Research and Testing Dept.	3 of 6
--	---	--	--------

4.2 Substances:

Substances are chemical elements and their compounds e.g., lead (chemical element), lead oxide (compound), polyvinyl chloride (compound). Registry Numbers (RN) of the Chemical Abstracts System of the American Chemical Society ("CAS" numbers) and/or European Chemical ("EC" numbers) are attributed to all chemical elements and most of their compounds and should be used for their identification. CAS numbers and EC numbers are provided for these substances where known.

4.3 Preparations:

A mixture intentionally comprising two or more chemical substances.

4.4 Reportable Applications:

Purposes of use

Note This use is defined in the scope of the underlying law. Examples are batteries, textiles, wood etc.

4.5 Threshold Level:

Concentration level which defines the limit (equal to or) above which the presence of a substance in a product shall be declared based on the requirements of this Standards. Numerical threshold levels are provided in weight % (and parts per million, or ppm). The conversion to be used to calculate ppm is 0.1 % = 1000 ppm.

4.6 Substances of Very High Concern (SVHC) :

These substances are designated according to the procedure specified in Article 57 of the Rules on Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), being selected from among those substances having the characteristics specified under Article 57 of REACH (characteristics potentially associated with serious "carcinogenicity, mutagenicity, reproductive toxicity, persistence, bioaccumulation, toxicity, etc."). Once a SVHC is selected from among the aforementioned candidate substances and published, its users are imposed of certain obligations such as "If SVHC is contained in the article at more than 0.1 wt%, the information of SVHC shall be notified to the recipient of the product."

4.7 Homogeneous Materials:

A material that cannot be mechanically dismantled into different materials.

- The term "homogeneous" means "of uniform composition throughout." Examples of "homogeneous materials" are individual types of plastics, ceramics, glass, metals, alloys, paper, board, resins and coatings.
- The term "mechanically dismantled" means that the materials can, in principle, be separated by mechanical actions such as: unscrewing, cutting, crushing, grinding and abrasive processes.

4.8 Intentionally Added:

Deliberate use in the formulation of a product where its continued presence is desired to provide a specific characteristic, appearance or quality.

4.9 IEC 62474:

International Standard which defines about the protocol, content and format associated with the material declaration relevant to the products of the companies who are operating a supply business in the electrical and electronics industry. It also defines about the selection criteria

Standard Number: OSC4013 (Edition 15)	Title: Green Procurement Standards	Issue Date: March 29, 2024 Issuing Department: Product Compliance Research and Testing Dept.	4 of 6
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and data exchange for the intended chemicals, and the material list based on this has been also posted on the website.

4.10 Joint Article Management Promotion-consortium (JAMP):

JAMP was established as an activity promotional subject across the industry in September, 2006 based on the recognition that it is indispensable for enhancing the industrial competitiveness to appropriately manage the information of the chemical, etc. which is contained in the article (appellative of parts, and molded article, etc.), and to create and promote a practical mechanism to disclose and communicate it smoothly in the supply chain.

5. Principles of Green Procurement Standards

Oriental Motor shall establish evaluation standards from the viewpoint of "Environment" in addition to the existing procurement standards based on "Quality," "Delivery Time," "Cost," etc., and those suppliers who has integrated "Environment Consideration" into their cooperate strategies will be prioritized into our procurement plan.

These Suppliers usually are functioning effectively in their Management System using the following 4 frameworks.

5.1 Environmental Management System for Business Activities

A supplier must construct and operate a system to reduce environmental impact caused by its business activities.

5.2 Performance of Business Activities

As the result of constructing and operating an environmental management system, the following must be achieved: compliance with laws and regulations, no use of the prohibited substances, reduction in the use of substances targeted for reduced levels of use, and implementation of preventive measures against pollution of soil and groundwater.

5.3 Management of Chemical Substances in Products (Environmental Management System for Parts and Materials)

A system must be constructed and operated to keep track of and manage chemical substances contained in parts and materials delivered to Oriental Motor.

5.4 Performance of Parts and Materials

No "prohibited substances" contained in parts and materials are to be delivered to Oriental Motor, and there shall not be any substances targeted to be eliminated completely to be delivered to Oriental Motor after a specified period.

6. Requirements

6.1 Requirements Related to Business Activities

6.1.1 Requirements Related to an Environmental Management System for Business Activities

a) Establishment of an environmental management system

If the supplier faces difficulty obtaining these certifications, it shall satisfy the following action requirements such as ISO 14001 certification, or KES¹⁾, Eco-Action²⁾, Eco-Stage³⁾ and other certifications.

1. Policy development
2. Planning
3. Operation and management
4. Performance evaluation and improvement
5. Management review

Standard Number: OSC4013 (Edition 15)	Title: Green Procurement Standards	Issue Date: March 29, 2024 Issuing Department: Product Compliance Research and Testing Dept.	5 of 6
--	---	--	--------

- Notes
- 1) KES: The most widely accepted environmental certification system in Japan for small and medium-sized companies, promoted by KES Environmental Organization, a specified non-profit organization.
 - 2) Eco Action 21: An environmental certification system for small and medium-sized companies, promoted by Institute for Promoting Sustainable Societies.
 - 3) Eco Stage: An environmental certification system for small and medium-sized companies, promoted by Eco-Stage Institute.

b) Operation of an environmental management system

6.1.2 Requirements Related to Performance of Business Activities

a) Compliance with laws and regulations

A Suppliers shall comply with environment related laws and regulations.

b) Contact Oriental Motor

In the event that a public agency orders the person in charge of a business site to take necessary measures for improvement or imposes penalties regarding environmental laws and regulations and other applicable legal requirements, Please contact us promptly.

6.2 Requirements Related to Parts and Materials

6.2.1 Requirements related to the Management of Chemical Substances in Products

We will carry out the "Survey on the Management System for Chemical Substances Contained in Products" specified by our company with the aim of establishing and maintaining a management system for chemical substances contained in products at our business partners.

6.2.2 Requirements Related to Performance of Parts and Materials

a) Management of product environmental impact substances

- Prohibited substances

None of the "Prohibited Substances" defined in the "List of Controlled Environmental Substances" shall be contained in parts and materials delivered to Oriental Motor.

- Substances targeted to be eliminated completely

None of the substances targeted to be eliminated completely defined in the "List of Controlled Environmental Substances" shall be contained in parts and materials delivered to Oriental Motor after a specified period.

b) Concerning the following chemical substances related to environmental information, when no inclusion is indicated in reply to parts & materials surveys or instructed in specifications (e.g., drawings, delivery specifications), these substances shall not be contained in parts and materials to be delivered to Oriental Motor:

- Chemical substances for which Oriental Motor must comply with customer requirements
- Chemical substances added according to changes in laws and regulations, as well as social trends.

7. Submission of Documents

7.1 Submission of "Survey on the Management System for Chemical Substances Contained in Products"

7.2 Submission of Survey and Response Format

Use one of the following formats to submit data on the environmental related substances to be controlled contained in products delivered to Oriental Motor as well as their parts, materials, packaging materials, etc.:

- JAMP chemSHERPA-AI or

Standard Number: OSC4013 (Edition 15)	Title: Green Procurement Standards	Issue Date: March 29, 2024 Issuing Department: Product Compliance Research and Testing Dept.	6 of 6
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- JAMP chemSHERPA-CI for Raw materials (substances, preparations)
<https://chemsherpa.net/english>

7.3 Submission of Certificate of Assurance for non-usage of Prohibited Substances

8. Other

Information provided by suppliers for the purpose of controlling chemical substances contained in products will be shared within Oriental Motor. Please note that information of controlled environmental substances contained in purchased articles may be disclosed to a third party, as part of information relating to Oriental Motor products prepared based on the information provided to us, for the purpose of disclosure by the supply chain or disclosure to customers, etc.

If you have any concern regarding the aforementioned disclosure, please contact Oriental Motor.

9. Effective Date

This Standard shall take effect from March 29 2024