

# Leader

Green Procurement  
Guidelines



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## 1. Introduction

Leader Electronics Corp. holds the protection of the global environment as one of the most important themes for corporate management and actively promotes corporate activities that address this theme at all stages of the product lifecycle, from design and development to production, sale, and disposal.

We consider that effective implementation of these activities will become even more important in the future.

Accordingly, we believe that it is essential that we strengthen cooperation with the suppliers who provide us with materials and other items on a daily basis. In particular, in promoting environmental consideration in products, it is important to steadily reduce environmental impact and avoid environmental risks through comprehensive efforts with suppliers.

From this perspective, we have compiled a list of items we would like our suppliers to work on with us as "Green Procurement Guidelines." We look forward to the cooperation of all our suppliers with these Guidelines, based on an understanding of the importance of current environmental measures.

Committee for the Promotion of Environment Protection, Leader Electronics Corp.

## **2. Environmental Policy of Leader Electronics Corp.**

We have formulated an "Environmental Policy" and we promote environmentally responsible corporate activities in line with this policy.

### **Environmental Policy**

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#### **Basic Principle**

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Based on awareness of the impact on the environment of its activities at all stages of the product lifecycle, from design and development to production, sale, and disposal, Leader Electronics Corp. aims to reduce the environmental impact of its activities and maximize resource use efficiency for the conservation of our precious global environment.

#### **Corporate Behavior Guidelines**

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1. Commitment to continuous improvement for the prevention of pollution

Aware of the influence of our corporate activities on the environment, we commit ourselves to make continuous improvements to our environmental management system and strive for the protection of the environment and the prevention of pollution.

2. Commitment to observance of laws and other requirements

We commit ourselves to observe all applicable environmental laws and to ensure compliance with other requirements we have agreed on.

3. Setting of environmental objectives and targets

To ensure effective implementation of our environmental policy, we shall set environmental objectives and targets and regularly review them, and carry out environmental preservation activities accordingly.

4. Key themes of environmental activities

- 1) Development of environmentally friendly products, for example substituting environmentally hazardous substances with safe ones.
- 2) Promotion of green procurement
- 3) Appropriate disposal of waste

5. Effective communication of environmental policy

We shall communicate our environmental policy to all our employees as well as to vendors with the aim to thoroughly inform them and raise their awareness. Further, we shall expect vendors to understand and cooperate with regard to activities based on our environmental policy.

June 29, 2017

Leader Electronics Corp.

Kozo Nagao, President

### 3. Concept of Green Procurement of Leader Electronics Corp.

#### 3.1 Purpose

Based on our Basic Principle of “Preserving the Global Environment and realizing a recycling-oriented society,” Leader Electronics Corp. promotes green procurement of parts, materials, raw materials, products, and services that have a minimal impact on the environment.

#### 3.2 Scope of application

These Guidelines apply to all goods and services procured by Leader Electronics Corp.

#### 3.3 Definition of terms

The main terms used in these Guidelines are defined as follows.

##### **Green procurement**

Green procurement means the procurement of products and services from suppliers who are actively engaged in environmental protection, from the viewpoint of minimizing the impact on the environment, taking into account aspects such as recycling, degradability, ease of processing, and energy conservation.

##### **Chemical substances**

This refers to chemicals that Leader Electronics Corp. favors from the standpoint of green procurement.

Please refer to chemSHERPA Regulated Substances [at https://chemsherpa.net/chemSHERPA/tool/](https://chemsherpa.net/chemSHERPA/tool/).

**【chemSHERPA】** Chemical information SHaring and Exchange under Reporting  
Partnership in supply chain

A new scheme for transmitting information about the chemical substances contained in materials across an entire supply chain.

Administered since April 2016 by the Joint Article Management Promotion Consortium (JAMP).

Uses chemSHERPA-AI (Article Information)/chemSHERPA-CI (Chemical Information) as information transfer sheets.

**【JAMP】** Joint Article Management Promotion  
Joint Article Management Promotion Consortium

This consortium was established to ensure the international competitiveness of industries in Japan and realize appropriate management of chemical substances contained in products for Asian countries and other overseas locations as well as compliance with REACH regulations by promoting smooth disclosure of information in the supply chain.

AIS and MSDSplus are used as information transfer sheets.

### **Ten Specified Hazardous Substances**

Substances covered by Europe's RoHS (Directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment):

The initial list of substances, consisting of 1) Lead, 2) Mercury, 3) Cadmium, 4) Hexavalent chromium, 5) PBB, and 6) PBDE, was expanded on July 22, 2019 to include also 7) DEHP, 8) BBP, 9) DBP, and 10) DIBP.

For the latest information on application exemptions (2011/65/EU Annex III + Annex IV), please refer to the EU's Official Journal.

<http://eur-lex.europa.eu/oj/direct-access.html>

### **3.4 Evaluation and designation criteria for suppliers**

In designating suppliers, in addition to quality, price and delivery, we survey and evaluate efforts with regard to environmental protection activities.

Based on these survey and evaluation results, we ascertain the management level of each supplier with regard to the environment, and we use this information for future environmental activities.

We expect suppliers to cooperate in these surveys and proactively engage in environmental activities, based on their understanding.

### **3.5 Matters pertaining to procurement materials containing chemical substances**

Leader Electronics Corp. voluntarily administers a chemical substance management standard based on "chemSHERPA Regulated Substances".

\* Please refer to "chemSHERPA Regulated Substances"

<https://chemsherpa.net/chemSHERPA/tool/>.

The following table was prepared based on chemSHERPA materials.

For details, please go to the chemSHERPA website.

(<https://chemsherpa.net/chemSHERPA/>)

If procurement materials contain any of these voluntarily regulated substances, please notify the person in charge at Leader Electronics Corp.

We look forward to your cooperation as we consult you regarding prohibitions of use, alternatives for discontinued products, and content reduction.

<b>Relevant standard ID</b>	<b><i>Laws &amp; regulations, industrial criteria</i></b>
<b>LR01</b>	<b>Chemical Substances Control Law (Japan)</b>
<b>LR02</b>	<b>Toxic Substances Control Act (TSCA) (US)</b>
	<b>Toxic Substances Control Act (Section 6)</b>
<b>LR03</b>	<b>EU ELV Directive</b>
<b>LR04</b>	<b>EU RoHS Directive 2011/65/EU ANNEX II</b>
<b>LR05</b>	<b>EU POPs Regulation (EC) No. 850/2004 ANNEX I</b>
<b>LR06</b>	<b>EU REACH Regulation (EC) No. 1907/2006</b>
	<b>Candidate List of SVHC for Authorisation and ANNEX XIV (Authorization List)</b>
<b>LR07</b>	<b>EU REACH Regulation (EC) No 1907/2006 ANNEX XVII (Restricted Substances)</b>
<b>IC01</b>	<b>Global Automotive Declarable Substance List (GADSL)</b>
<b>IC02</b>	<b>IEC 62474 DB Declarable substance groups and declarable substances</b>

#### **4. Request for Cooperation of Suppliers in Surveys**

Leader Electronics Corp. is committed to delivering environmentally friendly products to our customers by grasping the environmental protection activities of our suppliers and the environmentally hazardous substances and their amounts in the materials we purchase from them.

Suppliers are requested to provide the following survey data along with ongoing engagement in environmental protection activities to realize a recycling-oriented society.

##### **4.1 Scope of surveys**

###### **1) Survey on environmental protection activities of suppliers**

Suppliers who provide Leader Electronics Corp. with parts and materials for the products we sell and for their design, production, sale, and maintenance.



## **2) Survey on chemical substance content of procurement materials**

This survey targets the raw materials, parts, semi-finished products, and finished products that Leader Electronics Corp. procures.

### **4.2 Content and method of surveys**

#### **1) Survey on environmental protection activities of suppliers**

Please fill in the "Environmental Protection Activities Survey Form," filling in the required items, and return it to the person in charge at Leader Electronics Corp. The "Environmental Protection Activities Survey Form" can be obtained by making a copy of the survey form provided in these Guidelines, downloading from our website, or obtained from our staff.

#### **2) Survey on chemical substance content of procurement materials**

In principle, we conduct this survey prior to the start of dealings for new procurement items. The survey priorities are as follows. If a given item is already regulated under "chemSHERPA Regulated Substances," only Priority 2 applies.

Priority 1: Ten specified hazardous substances (10 substances specified by RoHS Directive)

Priority 2: "chemSHERPA Regulated Substances"

\* If you have made changes to process specifications after submitting the survey data, please advise us of this promptly and then submit the updated survey data.

The descriptions in these Guidelines assume use of the chemSHERPA format. If you use another format such as JAMP AIS or MSDSplus, please contact our person in charge.

#### **a) Survey on Ten Specified Hazardous Substances**

We use the "chemSHERPA Data Creation Support Tool" for the survey response tool format.

This format can be downloaded for use from the chemSHERPA website.

<https://chemsherpa.net/chemSHERPA/tool/>

Please refer to the chemSHERPA website for instructions.

If providing your survey answers in the form of an electronic data file, please send them to us by e-mail or stored on an electronic medium; if providing your answers in handwritten format, please mail the filled survey to our person in charge.

In addition to the above, we may request you to submit surveys and documentation in the following manners.

- Guarantee of compliance with ten specified hazardous substances of RoHS Directive for procurement items
- Analysis data for ten specified hazardous substances of RoHS Directive for each procurement item and constituent materials

Please indicate the part number, part name, and model of each procurement item, sign the report, and submit it to our person in charge.

b) Survey on “chemSHERPA Regulated Substances”

We use the “chemSHERPA Data Creation Support Tool” for the survey response tool format.

This format can be downloaded for use from the chemSHERPA website.

<https://chemsherpa.net/chemSHERPA/tool/>

Please refer to the chemSHERPA website for instructions.

If providing your survey answers in the form of an , electronic data file, please send them to us by e-mail or stored on an electronic medium; if providing your answers in handwritten format, please mail the filled survey to our person in charge.

In addition to the above, we may request you to submit surveys and documentation in the following manners.

- Guarantee of Non-Use of Environmentally Hazardous Substances for Procurement Items
- Analysis data for chemical content analysis of procurement items and constituent materials

Please indicate the part number, part name, and model of each procurement item, sign the report, and submit it to our person in charge.

If substances other than the RoHS Directive’s ten specified substances are contained and it is therefore not possible to submit a guarantee of non-use of environmentally hazardous substances, please notify our person in charge.

### 4.3 Frequency of surveys

#### 1) Items related to environmental protection activities of suppliers

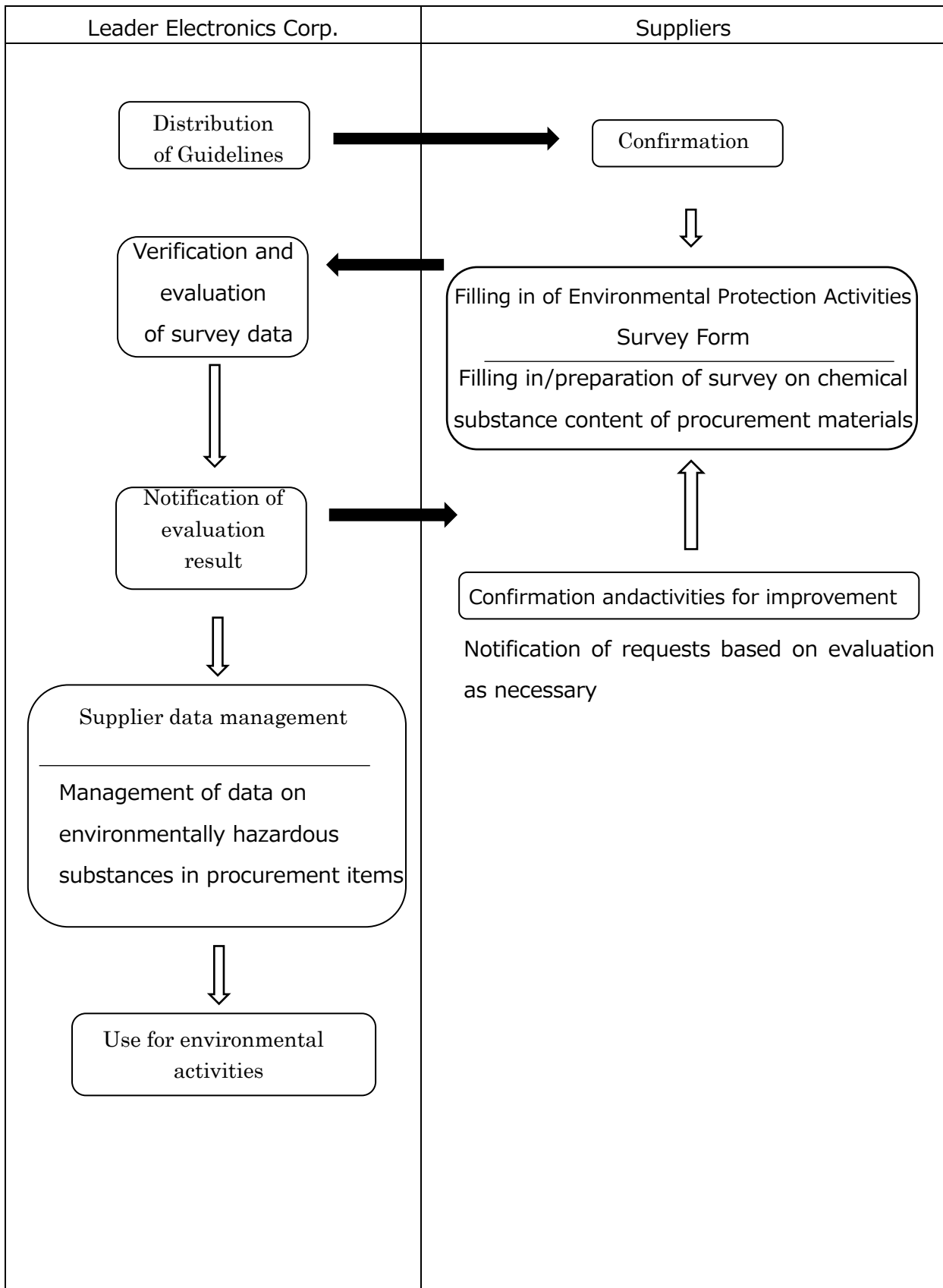
These items are surveyed periodically (every 3 years).

#### 2) Items related to chemical substance content of procurement materials

These items are surveyed as the need arises.

## 5. Application of Green Procurement Guidelines

These Guidelines are applied and administered as follows.



## **6. Revision of Green Procurement Guidelines**

These Green Procurement Guidelines may be revised without notice to reflect changes in laws and social trends.

In the case of revisions, we shall promptly notify suppliers and post the details on our website.

## Environmental Protection Activities Survey Form

To: Leader Electronics Corp.

**Fill in the bold line frames.**

Vendor code		Class	1 · 2 · 3 · 4	Answer date	
Company name				Responsible person name	
Address				Title	
Supplied items Goods, processes, etc.				Phone	
		FAX		Email address	

**1. Items relevant to Environmental Management (Circle either "YES" or "NO")**

**1-1 Acquisition of ISO 14001 certification**

Acquired	YES	NO	Acquisition date Year      Month      Day	Name of certification body and certificate number
Planning to acquire certification	YES	NO	Expected certification date h      Year      Around      Month	Name of planned certification body

**1-2 Status of acquisition of certifications from third-party bodies other than ISO 14001 (EA21, KES, etc.)**

Acquired	YES	NO	Acquisition date Year      Month      Day	Name of acquired certification and name of certification body
Planning to acquire certification	YES	NO	Expected certification date h      Year      Around      Month	Name of certification to be acquired

**1-3 If you answered "YES" in sections 1-1 and/or 1-2 regarding the acquisition or planned acquisition of certifications**

Are the items you supply included in the scope of the certification(s)?	YES	NO
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**2. Items related to green procurement activities (Circle the item that best applies to your company)**

<input type="checkbox"/> In practice	<input type="checkbox"/> Planning in progress	<input type="checkbox"/> Currently under consideration	<input type="checkbox"/> No plan
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**3. Items related to supplied goods that have an environmental impact \* Please indicate the existence of applicable items (product design, production, packaging) with a check mark (✓), otherwise enter an "x".**

Item	Evaluation Criteria	Applicable
Control of environmentally harmful substances	We have established and manage control criteria for the 10 specified hazardous substances, and can disclose information on content of said substances.	
	We have established and manage control criteria for chemSHERPA regulated substances, etc., and can disclose information on content of said substances.	
Reduced use/recycling of resources	We promote product design and packaging from the viewpoints of resource saving, waste reduction, and degradability based on the 3R's (reduce, reuse, recycle).	

**4. Items related to environmental protection activities** \*Please respond to the questions below if you answered YES in sections 1-1 and/or 1-2 above.

(Indicate applicable items with a check mark (✓), and non-applicable items with an "x".)

Item	Evaluation Criteria	Applicable
Environmental Principle and Policy	We have a corporate principle and policy for environmental protection, and we make sure that they are well known by all our employees.	
	We make continuous improvements and work to prevent contamination of the environment.	
	We clearly identify and comply with the environment-related laws and regulations that apply to our company.	
Planning and Organization	We clearly define purposes, targets, and implementation plans related to environmental protection.	
	We clearly define the organization, scope of duties, and responsibilities for achieving purposes and targets.	
Environmental Aspects	We specify, manage, and evaluate environmental aspects (factors that affect the environment).	
Systems	We create documentation detailing the above-mentioned environmental policy, planning and organization, and environmental aspects, and keep records thereof.	
	We have corrective and preventive measures in place to guard against deviation from laws and to ensure the successful execution of plans.	
	We review environmental control systems and make improvements as needed.	
Education and Awareness	We regularly conduct environmental education and awareness raising activities.	

**5. Items related to investigation of substances specified as SVHC in REACH regulation**

In practice     
  Planning in progress     
  Under consideration or No plan     
  Not applicable

**6. Items related to conflict mineral management: survey cooperation and appropriate disclosure**  
 (Indicate applicable items with a check mark (✓)) \* Reference information

In practice     
  Planning in progress     
  Under consideration or No plan     
  Not applicable

<b>Evaluation Comment</b> (including ★ marks) First      Second     Month      Day      Year	Presented by:	Year	Accepted:	Month	Day			
	Approved by:	Signature	Person in charge:					
		Eval. Result	1-1or1-2	1-3	2	3	4	Total Score /100

★ Survey on chemical substance content:  Required  Not required (How you responded to the questions in the past:  Satisfactory  Partially insufficient  No response  Not required)

**[www.leader.co.jp](http://www.leader.co.jp)**

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