

Meidoh

Green Procurement Guidelines

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Preface

Introduction

We, Meidoh Co., Ltd., have made "Providing Good Products Cheaply and Quickly" our fundamental principle. We have been working in collaboration with all our stakeholders to contribute to the development of a sustainable society, aiming for "reducing environmental impact," "realizing a low-carbon society," and "realizing a circular society."

However, the global environment is facing increasingly diverse and serious challenges such as resource depletion due to massive consumption, generation of industrial waste, and global warming and extreme weather events caused by natural destruction.

It is imperative for us to continue our business activities in harmony with the earth's environment, aiming for sustainable growth together with society by further aligning ourselves with nature and continuing to work toward the conservation of the global environment.

We will continue to actively engage in activities to conserve the global environment, considering the entire lifecycle, and we sincerely appreciate the cooperation of our business partners in this regard.

We kindly ask for your understanding of our company's philosophy and for your continued cooperation and efforts in collaboration with us as part of the supply chain.

Meidoh Co., Ltd.

Executive Officer, Head of Administration Division

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Masahiro Katayama

Green Procurement Basic Policy

In order to provide products and services that are supported by all stakeholders, we will procure safer and more reliable raw materials, materials, and services. Through fair and just transactions, we will build partnerships with all stakeholders. Additionally, we will promote environmental conservation and sustainability initiatives.

To achieve a sustainable society, we will promote procurement activities that consider the following points:

1. Reduction of Environmental Pollutants
 - Ensuring the reduction of substances that have negative impacts on the environment, wildlife, and humans.
 - Reducing emissions such as greenhouse gases (GHGs) and nitrogen oxides (NOx).
2. Energy and Resource Conservation
 - Minimizing resource and energy consumption during manufacturing, transportation, and usage stages.
3. Consideration for Biodiversity
 - Committing to the conservation of biodiversity.
 - Utilizing resources effectively and reducing environmental impact through sustainable methods.
4. Promotion of the "3Rs"
 - Suppressing waste generation through prolonging product lifecycles, reducing product weight, and using recycled materials.
 - Ensuring products are reusable.
 - Using materials that are easily recyclable and promoting the separation, decomposition, and reuse of waste materials after disposal.

Requests to Our Business Partners

Our company strives to conduct business activities with consideration for the environment. We kindly request your understanding and cooperation regarding the following matters:

No.	Categories		Details of transaction ※1	Targets of Environmental Initiatives		
				Products & Services ※2	Location ※3	Logistics ※4
1	Establishment of Environmental Management System	Establishment of environmental management system	(1)~(5)	—	○	—
		Promote environmental management throughout the life cycle	(1)~(5)	○	○	○
2	Greenhouse Gas (GHG) Reduction	Reducing GHG emissions over the life cycle Achieve carbon neutrality Promotion of activities to achieve carbon neutrality	(1)~(5)	○	○	○
3	Reduction of water environmental impact	Reduce impact on water resources and water quality	(1)~(5)	—	○	—
4	Promotion of resource recycling	Promoting a resourceful environment in deliveries, locations and logistics	(1)~(5)	○	○	○
5	Chemical Substance Management	Control (abolition, reduction, etc.) of chemical substances related to vehicle parts, supplies, and raw materials (product packaging and wrapping materials)	(1)~(3)	○	—	○
		Control (abolition, reduction, etc.) of chemical substances related to raw materials, sub-materials, packaging materials, etc. used at our sites.	(2)~(3)	○	—	—
		Management of chemical substances in business activities of suppliers (abolition, reduction, etc.)	(1)~(5)	—	○	—
6	Building a Society in Harmony with Nature	Consideration of biodiversity and promotion of nature symbiosis in deliverables and bases	(1)~(5)	○	○	○

※1 (1) Consigned vehicles, parts, supplies (2) Raw materials, sub-materials (3) Packing and packaging materials (4) Logistics: consigned by us (5) Equipment, construction, cleaning, landscaping.

※2 Products and services include parts, raw materials, sub-materials, packaging and wrapping materials, equipment, jigs, construction, cleaning, landscaping, etc. delivered to us.

※3 Business locations include the factories, laboratories, offices, sales offices, logistics facilities, and other business-related locations of our suppliers. (Logistics companies and service providers are also included.)

※4 Logistics includes logistics delivered to us and logistics consigned by us.

1 Establishment and promotion of environmental management

(1) Establishment of Environmental Management System

1. Our company systematically manages environmental conservation activities and is committed to continuous improvement. We kindly request your cooperation in promoting environmental conservation activities and establishing an environmental management system that enables continuous improvement at your end or similar activities.
2. To ensure the effective promotion of environmental management, we request the acquisition and ongoing renewal of external certifications such as "ISO 14001" and "Eco Action 21."
3. If certification is not obtained, we request the establishment of a system to ensure the implementation of necessary environmental activities and compliance with environmental laws in business operations, as well as the dissemination and promotion of necessary measures to your downstream trading partners.

(2) Promotion of Environmental Management throughout the Entire Lifecycle

1. Our company strives to evaluate and reduce environmental impacts at each stage of the lifecycle. We request your consideration of the entire lifecycle from the development stage and implementation of measures to reduce environmental impacts.
2. If data submission is requested to confirm environmental performance (such as energy usage, GHG and NOx emissions, waste generation, etc., related to product manufacturing), we kindly request your cooperation.
 - Note: In cases where changes occur in manufacturing processes or designs, we may also request confirmation regarding environmental impacts.

2 Reduction of greenhouse gases (GHG)

Reduction of Greenhouse Gas (GHG) Emissions Throughout the Lifecycle

1. **Reduction of GHG Emissions in Purchased Materials**
 - Promote reduction of raw material usage through component lightweighting.
 - Encourage the use of raw materials with lower GHG emissions during manufacturing.
 - Promote the use of recycled materials and biomass materials.
2. **Reduction of GHG Emissions at Each Site**
 - Manage and reduce GHG emissions from production activities at your facilities.
 - Extend these efforts to all locations (offices, sales offices, logistics warehouses, etc.).
 - Implement initiatives toward achieving carbon neutrality.
3. **Reduction of GHG Emissions in Logistics**
 - Request reduction of GHG emissions from transportation of goods from your facilities to ours.
 - Request reduction of GHG emissions from outsourced logistics provided by our company.
 - Regularly monitor fuel usage and travel distances to manage emissions.
4. **Reduction of GHG Emissions in Use**
 - Request design and development of products contributing to reduced GHG emissions during vehicle operation (fuel efficiency improvement).
 - Request design, development, and proposal of production facilities and associated equipment contributing to GHG emission reduction (energy efficiency).
5. **Reduction of GHG Emissions in Waste and Recycling**
 - Request design and development of products contributing to reduced GHG emissions when products are ultimately disposed of or recycled.
6. **Reduction of Fluorocarbon Emissions**
 - If fluorocarbons are used at your facilities or in supplied products, request cooperation in transitioning to low GWP (Global Warming Potential) or non-fluorocarbon alternatives.
 - Request proper disposal of fluorocarbons.

3 Water Reduce environmental impact

In the medium to long term, "water resource depletion" due to water usage is becoming an increasingly important issue. Additionally, we recognize that the impact on "water quality" is also an equally important concern.

We are actively promoting activities to reduce the impact on the water environment within our company. We kindly request your cooperation in reducing water environmental impacts as well.

Regarding the reduction of impacts on "water resources," we ask for the following initiatives at your facilities (factories, laboratories, offices, sales offices, logistics facilities, etc.):

1. Reduction of water usage.
2. Utilization of rainwater.
3. Recycling of water in factories and other facilities.
4. Improvement of wastewater quality.
5. Conservation of water sources.
6. Raising awareness of the finite nature and importance of water resources.

4 Promotion of resource recycling

In our company, we are actively promoting resource circulation activities such as compliance with the Automobile Recycling Law and the European ELV Directive, utilization of recycled materials, design considerations for recycling, and waste reduction and recycling activities at each site. We also strive to minimize environmental impact by reducing the consumption of natural resources such as raw materials and water. We kindly request your cooperation in promoting resource circulation activities.

1. Promotion of resource circulation in supplied products (including services) and at the customer's sites and logistics: To reduce the use of finite resources, we request active proposals for appropriate disposal and recycling of products after use, development of products considering recycling, and proactive suggestions to us in daily operations, etc.

- Promotion of resource-saving design
- Promotion of recycled material utilization
- Promotion of closed-loop recycling
- Promotion of biomass material utilization *Please ensure sufficient consideration for biodiversity.

2. Development of materials and products considering appropriate disposal at the end of use and the 3Rs: We request measures to make it easier to implement proper disposal, reuse, reduction, and recycling of products after use and proactive suggestions to us in daily operations, etc.

- Material selection
- Ease of separation, disassembly, and sorting
- Ease of disposal, reduction of generation volume, proper management
- Longevity of products, etc. If there are new materials or products that are difficult to handle, please consult with our responsible person in advance.

3. Reduction of waste and promotion of recycling at sites: We also request the reduction of waste generation and promotion of recycling at the customer's sites (factories, laboratories, offices, sales offices, logistics facilities, etc.).

4. Reduction of packaging material usage in logistics: We also request a reduction in the usage of packaging materials in logistics.

5 Chemicals Management

Our company is actively promoting measures to manage chemicals (elimination, reduction, etc.) and improve recycling rates in compliance with regulations such as the European ELV, REACH, and chemical substance control laws both domestically and internationally.

1. Management of chemicals related to parts, accessories, and raw materials for vehicles (including packaging and packaging materials for these products)

- Management of chemicals (elimination, reduction, etc.) in development, design, production preparation, mass production stages, packaging, and packaging materials, and material indication for resin and rubber parts.
 - a. Management of chemicals (elimination, reduction, etc.) in development, design, and mass production stages
 - Please follow the prescribed procedures for the elimination, reduction, and management of chemical substances.
 - If there are material changes or weight changes for parts or raw materials, please submit the investigation results of the chemical substance data for the relevant parts, raw materials, and auxiliary materials.
 - When requested by our company for an investigation of materials or chemical substances for individual parts or raw materials, please submit the results to our responsible person.
 - Depending on the necessity, we may conduct process audits for the customer at the development, design, production preparation, and mass production stages.
 - Please ensure that the management of parts and raw materials purchased by the customer and the prevention of contamination during the manufacturing process are carried out to match the reported contents of the chemical substance investigation results.
 - We may request data submission as needed.
 - b. Management of chemicals in packaging and packaging materials
 - Please select materials for packaging and packaging materials that do not contain prohibited or restricted substances.

2. Material indication for resin and rubber parts

- Please provide material indication as much as possible for resin parts and rubber parts, etc.

(2) Management of chemicals used at our company's facilities

We kindly request the management of chemicals (elimination, reduction, etc.) for materials delivered to and brought into our facilities, raw materials, auxiliary materials, and packaging materials.

1. Management of chemicals for materials delivered to and brought into our facilities

- Please use materials for delivery to and brought into our facilities that do not contain prohibited substances.

2. Management of chemicals for raw materials and auxiliary materials

- When planning to adopt new raw materials or auxiliary materials, please submit necessary information such as the "Safety Data Sheet (SDS)" of the supplied materials to our responsible person for prior consideration.
- To maintain the latest state of SDS, if the content changes due to legal revisions or other reasons, please promptly submit the latest version.

3. Management of chemicals for packaging materials

- When selecting packaging materials, please ensure that they do not contain prohibited substances.

3. Management of chemicals in the business activities of our business partners We request the following activities:

1. Reduction of VOC emissions
2. Reduction of PRTR target substance emissions
3. Other related chemical management

- Worldwide chemical regulations have been transitioning from focusing solely on the hazard management of individual substances to considering the impacts on humans, animals, and plants, known as "risk management." Furthermore, companies are required to collect information on the presence of chemicals in their products and manage their supply chains accordingly.

6 Building a Natural Coexistence Society

In our company, we recognize that consideration for nature is a prerequisite for the survival of corporate activities. Based on this recognition, we understand the importance of nature conservation and biodiversity preservation, and we are working towards building a society in harmony with nature. We kindly request our business partners to also give sufficient consideration to biodiversity and engage in initiatives aimed at building a society in harmony with nature.

1. Promotion of biodiversity consideration and coexistence with nature in delivered products (including services) and facilities: We kindly request minimizing the impact on biodiversity and nature, and also welcome proactive proposals for products that contribute to biodiversity conservation.
2. Consideration for biodiversity in delivered products: We request the development of products that minimize the impact on biodiversity, tracing back to the raw materials. Especially when using plant-derived materials, we ask for sufficient consideration for biodiversity.
3. Consideration for biodiversity at business partner facilities: We ask for an understanding of the importance of biodiversity and efforts to minimize the impact on nature through development activities. We also request collaboration and cooperation with local organizations and groups engaged in nature conservation activities, to improve the natural environment within feasible limits.
4. Promotion of initiatives for coexistence with nature through the following actions:

- "1. Establishment of environmental management systems"
- "2. Reduction of greenhouse gas emissions"
- "3. Reduction of water environmental impacts"
- "4. Promotion of resource circulation"
- "5. Management of chemicals"

By promoting these initiatives, we can indirectly contribute to the establishment of a society in harmony with nature. We request your cooperation in implementing initiatives with the aim of building a society in harmony with nature.

