

ULVAC

March 1, 2004

# Green Procurement Standard ( Ver. 1.2)

ULVAC Group

Ver.1.2, Mar. 2004

# Introduction

Recognising that environmental conservation is one of the highest-priority challenges facing humanity, ULVAC Group has committed itself to the conservation of the Earth's natural environment and is making contributions toward society's environmentally sustainable growth and development, by utilizing the technologies that the Group has developed in the past and will develop in the future in all business activities it embarks on.

More specifically, ULVAC Group will make every effort to conserve the environment throughout the life of its products from their design, development and manufacturing to their use by customers, including their maintenance and other services, and finally disposal, in order to contribute to building a society based on resource recycling, in line with the objectives stated in the Group's Environmental Policy as follows:

1. conservation of energy, resources, and the environment throughout the manufacturing process,
2. conservation of energy, resources, and the environment through products (devices and components), and
3. provision of products contributing to the conservation of energy, resources, and the environment.

Green Procurement, a concept for procuring raw materials that creates less of an environmental burden, is absolutely essential for providing products/services that contribute to the conservation of the environment. ULVAC Group therefore positioned green procurement as an important means to implement its environmental policy and developed its Green Procurement Standard in November 2003, to promote environmentally conscious procurement activities.

In recent years, regulatory control, most notably in Europe, as is shown in the examples of WEEE and RoHS Directives, and societal demand for more efforts to conserve the environment have become more stringent and much stronger. Against this backdrop, ULVAC Group commits itself to the enforcement of green procurement by setting voluntary objectives in its Green Procurement Standard documentation.

ULVAC Group recognises that green procurement is an important service that today's enterprises must deliver, and will perform environmental burden surveys and assessments of suppliers and the goods the Group procures from them. ULVAC Group will stop receiving supplies from those suppliers who do not comply with the Group's standard by the set deadline, and thereby promote its green procurement practices.

ULVAC Group puts a particular emphasis on coordinating efforts with its suppliers, as this endeavour would be nearly impossible to carry out without full understanding on the part of the suppliers. Therefore, ULVAC Group respectfully asks its suppliers to extend their understanding and cooperation.

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## **. ULVAC Group and Its Environmental Activities**

### **1. Basic Environmental Philosophy and Environmental Practices Guidelines**

#### **1-1. Basic Environmental Philosophy**

Recognising that environmental conservation is one of the highest-priority challenges facing humanity, ULVAC Group contributes to society's sustainable growth and development by implementing environmentally conscious measures in all aspects of the Group's business activities including manufacturing processes as well as products that contribute to environmental conservation.

#### **1-2. Environmental Practices Guidelines**

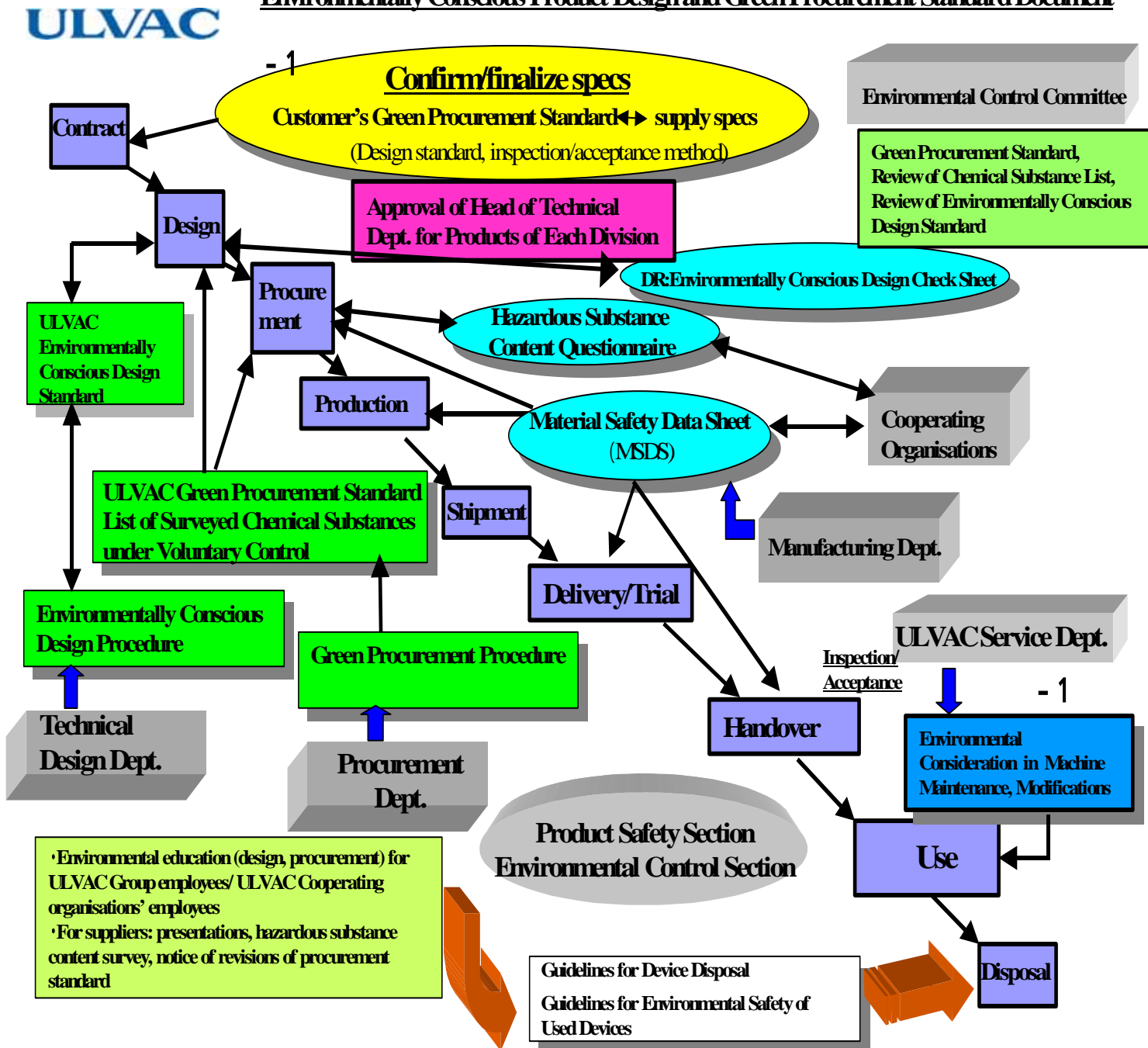
- (1) ULVAC Group commits itself to reducing the environmental impact caused by its business activities, including design, manufacture, sales, and repair of flat panel display manufacturing devices, electronic component manufacturing devices, semiconductor manufacturing devices, generic industrial devices, research and development devices, their components, and other business activities including advanced materials, device control, surface analysis, and surface coating.
- (2) ULVAC Group shall continually review and improve its environmental management system in order to review and enhance its environmental management organization and operation.
- (3) ULVAC Group shall comply with environmental regulations, rules, etc. to conserve nature and the environment, identify activities that impact or potentially impact the environment, define its voluntary control standards, and work to satisfy such standards.
- (4) ULVAC Group shall strive to reduce the environmental burden of its products and manufacturing processes. This entails promotion of pollution prevention through reduced use of natural resources, promotion of energy conservation, and waste reduction.
- (5) ULVAC Group shall actively engage in development efforts to realise environmentally conscious products, work to diffuse environmentally conscious products throughout society, and thereby contribute to environmental conservation.
- (6) ULVAC Group shall define its environmental objectives and targets based on regulatory requirements, environmental aspects, and stakeholders' opinions, in order to implement its environmental policy. The Group shall also review the environmental objectives and targets regularly and promote environmental management activities to the extent that they are technologically and economically feasible.
- (7) ULVAC Group shall implement and maintain its environmental policy through its environmental management system, communicate its policy to all employees through environmental education and training to raise their awareness, and strive to improve the level of environmental management. The Group's policy will be available to the public.

## 2. Environmentally Conscious Product Design

ULVAC Group is striving to reduce the environmental burden created by its products throughout their life cycle. Based on the Group's Basic Environmental Philosophy and Environmental Practices Guidelines, the Group, in collaboration with related organisations, is making efforts to design its products and services in an environmentally conscious manner.

We believe that all of these efforts constitute our Environmentally Conscious Product Design.

### Environmentally Conscious Product Design and Green Procurement Standard Document



## **. ULVAC Group's Green Procurement Approach**

### **1. Purpose and Scope**

#### **1-1. Purpose of Green Procurement**

ULVAC Group shall implement environmentally harmonious business activities, develop and design products that create less of an environmental burden, deliver environmentally conscious products to our customers, and thereby conserve the Earth's natural environment and help build a society based on the concept of resource recycling.

#### **1-2. Definition of Green Procurement**

Green Procurement is defined as procurement of products, services, etc. that have less of an environmental impact as a result of consideration for lighter weight, longer life, possibility of resource recycling, degradability, ease of disposal, energy conservation, etc., by suppliers who actively engage in environmental conservation activities.

#### **1-3. Scope of Green Procurement**

This Standard is applicable to all suppliers and all procurement activities of all goods from every supplier dealing with ULVAC Group.

- \* Supplied goods include raw materials, parts, units, and packaging materials incorporated into the ULVAC Group's products, including gas, chemicals, equipment (including ancillary parts), etc. used in ULVAC Group's manufacturing processes.

Of the supplied goods, raw materials, parts, units, and packaging materials incorporated into ULVAC Group's products (hereinafter referred to as "**production materials**") may come under the scope of our surveys on content of substances that may pose a risk to the environment.

### **2. Green Procurement Promotion Standard**

ULVAC Group will verify whether or not its suppliers' environmental conservation activities and environmental consideration of the supplied goods meet our Standard for promoting green procurement.

We respectfully ask our suppliers to take proactive measures to satisfy this Standard.

#### **2-1. Requirements Regarding Environmental Conservation Activities of Suppliers to ULVAC Group**

In addition to the traditional procurement standards of Q for Quality, C for Cost, and D for Delivery Time, ULVAC Group will position E for Environmental Conservation Activities by the Group's suppliers as one of its procurement standards, and give priority to those suppliers with higher level of activities for environmental conservation. The selection/assessment criteria for "E for Environmental Conservation Activities by Suppliers" are as follows:

- 1) The supplier has developed an Environmental Management System (EMS) that already is or is planned to be ISO14001 certified by a third-party certification body. If the supplier's EMS is EMAS (Eco-Management and Audit Scheme by the European Council) or KES (Kyoto Environmental Management System) certified by a third-party certification body, ULVAC Group will consider it equivalent to ISO14001 certification.

- 2) If the supplier is not ISO14001 certified, but satisfies the following activity requirements:

The supplier has a corporate philosophy, policy, voluntary standards/objectives, and implementation plan for policy/objective achievement, to conserve the environment.

The supplier has a Management Representative, organisation, committee(s), etc. for environmental conservation, and implements appropriate environmental management with

clear environmental burden reduction targets.

The supplier abides by laws and regulations for environmental conservation.

The supplier has an internal audit scheme for its environmental conservation activities.

The supplier implements proactive measures (has implementation and assessment scheme based on voluntary standards and operation) for the following areas:

(a) energy management; (b) waste management; (c) chemical substance management; d. environmental risk management; (e) product assessment (including training on environmentally conscious design); and (f) training on environmental conservation.

The supplier has a clearly defined response to environmental emergencies.

## **2-2. Requirements Regarding Aspects of Environmental Conservation Related to Supplied Goods Procured by ULVAC Group**

The supplier implements assessments concerning reduction of environmental burden of supplied goods from the perspectives described below.

ULVAC Group may ask its suppliers to disclose the results of their assessments of supplied goods delivered to the Group.

### **1) Requirements regarding reduction of environmental burden from supplied goods**

Efficient use of resources

#### **A. Consideration of resource use**

- a. Conservation of natural resources including water, forests, metals, etc.
- b. Reduction of packaging materials,
- c. Reduction of resources put into manufacturing processes, and
- d. Minimisation of emissions, effluent discharge, and waste from manufacturing processes.

#### **B. Consideration for reuse**

- a. Increased ease for reuse,
- b. Longer life

#### **C. Consideration for recyclability (use of recycled materials, reuse of parts)**

- a. Consideration for ease of disposal including degradability, ease of shredding, etc.

Efficient use of energy

#### **A. The supplier strives to minimise energy consumption throughout the life cycle (manufacturing process, shipment, etc.) of supplied goods.**

#### **B. The supplier strives to improve the energy efficiency, including energy consumption during use and stand-by, of the supplied goods.**

Disclosure

#### **A. The supplier provides environmental information on supplied goods.**

## **2-3. Requirements Regarding Chemical Substances in Supplied Goods**

ULVAC Group will strive to reduce the environmental burden of supplied goods by conducting surveys concerning the use of chemical substances designated by the Group as targets for voluntary control.

### **(1) Categories and handling of chemical substances under voluntary control measures**

The chemical substances under voluntary control designated by ULVAC Group are listed in the List of Surveyed Chemical Substances under Voluntary Control for Green Procurement in

Chapter IV (separate document), and classified into three categories of Level I “substances prohibited from use or attachment”, Level II, and Level III “substances under voluntary control.”

Level I “substances prohibited from use or attachment” are substances that have a significant impact on human health or the ecosystem, the use of which is prohibited or limited by national or international law, or prohibited by ULVAC Group’s voluntary control, and consequently prohibited from use or attachment (hereafter, use) in the Group’s products.

Level II “chemical substances under voluntary control” are substances that do not fall into the Level I category, but are targeted by national or international law or by ULVAC Group’s voluntary control, and the use of which should be reduced gradually. For some of the Level II chemical substances, a deadline for elimination has been designated.

Level III “chemical substances under voluntary control” are Type 1 and Type 2 specific chemical substances designated by the PRTR Law, that do not fall into Levels I or II.

## (2) Revision of the List of Surveyed Chemical Substances under Voluntary Control for Green Procurement

The content of the list is subject to change due to future expansion of the body of knowledge and revisions and changes in laws and regulations. ULVAC Group will revise the List of Surveyed Chemical Substances under Voluntary Control for Green Procurement, as necessary, to promote activities that are most appropriate. For the latest up-to-date list, please refer to the Group’s website.



## **. Request for Cooperation for Our Supplier Survey**

ULVAC Group is currently reinforcing its activities to deliver environmentally conscious products to its customers, by utilising data concerning its suppliers' environmental conservation activities and materials potentially risky to the environment that may be contained in the supplied goods. The Group respectfully asks its suppliers to understand that the Group will terminate the accounts of suppliers or supplied goods thereof that have not complied with the Group's standard by the designated deadline. ULVAC Group requests its suppliers to cooperate with the below-mentioned surveys and to continue their environmental conservation activities towards the realisation of a society based on resource recycling.

### **1. Survey Scope**

#### **1-1. Survey concerning suppliers' environmental conservation activities**

All suppliers ULVAC Group has accounts with

#### **1-2. Survey concerning environmental conservation aspects of supplied goods**

Supplied goods including raw materials, parts, units, and packaging materials that ULVAC Group procures as "production materials" to be used in the Group's products

### **2. Survey Contents**

#### **2-1. Survey concerning suppliers' environmental conservation activities**

Based on Paragraph .2.2-1

Form 1: ULVAC "Green Procurement" Supplier Questionnaire

#### **2-2. Survey concerning environmental conservation aspects of supplied goods**

Based on Paragraph .2.2-2.

Form 2: ULVAC "Green Procurement" Supplied Goods Questionnaire

### **3. Survey Method**

By questionnaire (attached)

### **4. Survey Frequency**

#### **4-1. Survey concerning supplier's environmental conservation activities**

The survey will be conducted regularly (once a year)

As for a new supplier, the survey will be conducted at the time of commencing business with them, and regularly (once a year) thereafter.

#### **4-2. Survey concerning environmental conservation aspects of supplied goods**

The survey will be conducted as necessary.

### **5. Signing of Contract for Green Procurement to Reduce Environmental Burden**

Where necessary, ULVAC Group may ask its suppliers to sign a contract for green procurement, or furnish certification/guarantee documentation.

## 6. Scope of ULVAC Group Business Premises Affected

Company Name	Scope of Premises
ULVAC, Inc.	Chigasaki Head Office and Plant, Fuji Plant, R&D Centres, and Sales Offices
ULVAC Corporation	Chigasaki Head Office and Plant
ULVAC Techno, Ltd.	All business premises nationwide
ULVAC Kyushu, Co., Ltd.	Head Office, Sales Office, Kagoshima Office, All CS in Kyushu, Service Centres
ULVAC TOHOKU, Inc.	Hachinohe Plant
ULVAC Seiki Co., Ltd.	Kagoshima Head Office and Plant
ULVAC Technologies, Inc.	US Head Office, Sales Offices, and Service Centres
ULVAC G.m.b.H	German Head Office
LITREX CO., LTD.	US Head Office and Plant
ULVAC TAIWAN, Inc.	Taiwan Head Office, Sales Offices, and Service Centres
ULVAC KOREA, LTD.	Korea Head Office, Sales Offices, and Service Centres
ULVAC SINGAPORE PTE LTD	Singapore Head Office, Sales Offices, and Service Centres
ULVAC SHANGHAI CO., LTD.	Shanghai Head Office, Sales Offices, and Service Centres
ULVAC NINGBO CO., LTD.	Ningbo Head Office and Plant
ULVAC SUZHOU CO., LTD.	Suzhou Head Office and Plant
Nisshin Seigyo K.K.	Head Office, Plant, and Sales Offices
ULVAC EQUIPMENT SALES, Inc.	Branch Office and Sales Offices
Sanko ULVAC Co., Ltd.	Head Office and Sales Offices
VACUUM METALLURGICAL Co., LTD.	Head Office, Plant, Sales Offices, and Branch Offices
ULVAC KIKO, Inc.	Head Office, Plant, Sales Offices, and Branch Offices
ULVAC-RIKO, INC.	Head Office, Plant, and Sales Offices
Reliance Electric Limited	Head Office, Plant, and Sales Offices
ULVAC CRYOGENICS, Inc.	Head Office, Plant, and Sales Offices
ULVAC-PHI, Inc.	Head Office, Plant, and Sales Offices
ULVAC Materials Technology Co., Ltd.	Head Office, and Plants
Tigold Co., Ltd.	Head Office, and Plant

Please be advised that this Green Procurement Standard documentation may be revised due to changes in current laws and regulations as well as social trends.

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Procurement Administration Section (TEL: 0467-89-2155, FAX: 0467-89-2294)

Or General Administration Department

Environmental Control Section (TEL: 0467-89-2031, FAX: 0467-82-9114)

## Revision Record of Green Procurement Standard

Version	Revised Date	Reason and Description
Ver.1.1	Nov.1, 2003	New Provision
Ver.1.2	Mar.1, 2004	.List of Surveyed Chemical Substances under Voluntary Control for Green Procurement Table 1-2 Level II: Chemical Substances under Voluntary Control -48 Elimination target date "Jul 2005" has been Changed to "Jul 2004".