

# Green Procurement and Purchasing

In the acquisition of materials, Murata applies a green procurement policy to items used in production and green purchasing to parts and materials used for other applications. We also evaluate the environmental soundness (“greenness”) of suppliers, prioritizing suppliers that have been actively working on environmental conservation activities.

## Promotion of Green Procurement

### Evaluating a Supplier’s Greenness

Murata has compiled a Green Procurement Standards sheet that outlines its concept and requirements for suppliers regarding green procurement. We promote procurement on this basis with the understanding and cooperation of suppliers.

Before dealing with new suppliers, we investigate their environmental management systems (such as for ISO 14001 or KES certification) and guarantees for delivery of parts and materials not containing chemical substances prohibited by laws and regulations. An appropriate chemical substance management system is a decisive factor in our approval of a new supplier.

For current suppliers, we conduct “assessments of all suppliers” and “assessments of high-risk suppliers” on alternate years. We issue written notification of the need for improvement to suppliers that receive a low evaluation and provide guidance through audits.

If there are no improvements, our strict policy is to investigate the termination of our relationship with these suppliers.

### Criteria for the Greenness of Suppliers

- Environmental management system
- Management system for chemical substances
- Submission of certification concerning the six RoHS-designated substances

### Surveys on the Greenness of Materials

As standards for materials (chemical substances, products and packaging) used in products, Murata has established its own standards for prohibition or reduction of use in accordance with laws and regulations and in response to customer requests. Before adopting any materials, we conduct “green surveys” at all domestic manufacturing plants to confirm that they conform to these standards. Our expert staff stringently examines chemical substances cited as requiring cautious use and handling. Materials

## Employee Perspective

### Working with Suppliers to Respond to the RoHS Directive

We need to make components and materials mounted in Murata’s products free from regulated substances to ensure that this is also true of the products themselves. This is one of the most important responsibilities for the Materials Department. Recently, responses to the RoHS directive have unfolded with tremendous force. Since October 2004, evaluation methods for management conditions and confirmation methods for actual status at suppliers, which are of increasing importance, have been standardized, and we have been conducting audits along with the Quality Control Division. By suppliers recognizing the need for and importance of the management of regulated substances, we have been able to introduce a system for the prevention of fatal accidents.



Yoshihiro Kirihata

Purchasing Quality Control Section,  
Production Engineering Unit,  
Purchasing Department

meeting the criteria of these examinations are registered in a database. We have introduced and implement measures to ensure that we do not procure any chemical substance not registered in this database.

Overseas, we have been conducting surveys on the greenness of procured materials. However, in December 2006, we issued “Greenness Survey Procedures” (for overseas plants) with the aim of establishing consistent groupwide rules. These guidelines were implemented during fiscal 2006.

## Expanding Green Purchasing

### Prioritizing Purchasing of Compliant Merchandise

We define “green products” as goods that comply with the Law on Promoting Green Purchasing and goods endorsed with recognized environmental labels.

As of March 2007, the green purchasing ratio in our domestic manufacturing plants exceeded 99% on an itemized basis. We are redoubling our efforts to achieve 100% green purchasing ratio.



### About KES

The Kyoto Environmental Management System comprises specifications for environmental management systems developed by the Miyako Agenda 21 Forum that are easily applicable by small and medium-sized enterprises.



### About the Law on Promoting Green Purchasing

In 2001, the Law on Promoting Green Purchasing was enacted. It promotes the procurement of eco-friendly products (goods and services that contribute to reducing environmental impact) by the state and other entities. This law promotes the selection of products with low environmental impact through such eco-labels as Eco Mark, the mark that indicates the use of recycled paper and the green mark.