

# Substances of Environmental Concern

**Fiscal 2011 Topics** ●The Green Procurement Guidelines were revised, and their scope was enlarged to the entire Group.

## Basic Philosophy

We have a three-step management system for handling substances of environmental concern: ①Answering requests from customers, ②Handling within the Group, and ③Procurement from suppliers. Naturally we ensure compliance with laws and fulfill customer

requests. More than that, we aim to reduce the use and emission of substances of environmental concern so as to minimize their effect on the environment and human health.

### Customers

With the reinforcement of regulations on chemical substances contained in products, requests from customers in the automobile, electrical and electronics industry regarding improved compliance are increasing. The REACH Regulation of the EU has triggered an increase in the status of chemical substances contained in products; we are taking all the appropriate measures including submission of Non-Containing Declarations, IMDS and JGPSSI survey and response tools, submission of various data with AIS, etc., and handling investigations and audits regarding our management systems.

### Suppliers

Handling the year-to-year changes of chemical substance regulations requires the procurement of materials with as little environmental burden as possible. It is for this reason that we issue our Green Procurement Guidelines  to request cooperation from our suppliers, and now, we have revised the Guidelines to serve as the Group policy in further promoting green procurement throughout the entire Group.

#### ■ The green supplier system

We certify suppliers that meet system standards and material standards as green suppliers, and give them priority. We now have 287 certified suppliers as of the end of fiscal 2011.




Certification

#### ■ Support for our suppliers

We support our suppliers by hosting environmental seminars and helping to establish their environmental management systems. So far, we have received requests from 36 companies, and of those, 34 have acquired ISO 14001 or EcoAction 21 certification. We will continue our support for the two remaining companies in their environmental management system establishment.

#### ■ Certification standards

System standards	Material standards
<ul style="list-style-type: none"> <li>● Third-party certification under the environmental management system</li> </ul>	<ul style="list-style-type: none"> <li>● Non-containment of designated substances on our prohibited list (Raw materials, components, packaging materials)</li> <li>● Reporting on containment status of prohibited substances (Facilities, tools)</li> <li>● Implementing measures to prevent commingling of hazardous materials (Outsourced operations)</li> </ul>




Green suppliers

## Substances of Environmental Concern

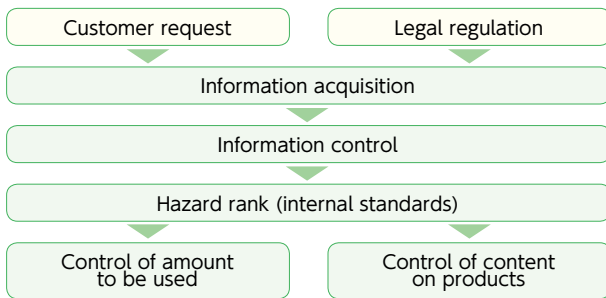
### Group

Companies are required to manage chemical substances in an appropriate manner. The entire NGK SPARK PLUG Group is committed to ensuring non-containment management and enhancing the control of usage in plants.

### Non-Containment Management for Products

To satisfy customer requests and regulation such as the ELV Directive, the RoHS Directive and the REACH Regulation of the EU, we assign hazard ranks to substances of environmental concern. With handling standards for each rank, we achieve non-containment and thorough management of usage reduction.

#### Management system



#### Hazard rank

Hazard rank	Handling standard	Substances covered
Prohibited substances	Use is prohibited.	Substances prohibited from use or strongly restricted by regulations.
Restricted substances	Safer substitutes will be sought, while making efforts to reduce the use of current substances.	Hazard level and toxicity are equivalent to prohibited substances, but an immediate changeover is impossible due to its special characteristics.
Monitored substances	Supplies need to be examined to find existence/non-existence of applicable substances.	Those not prohibited or restricted but that require monitoring.

#### In-house analysis of substances of environmental concern

To confirm the containment status of substances of environmental concern in our products, our in-house analysis center conducts a partial analysis of substances of environmental concern contained in products to prevent the release of nonconforming products.

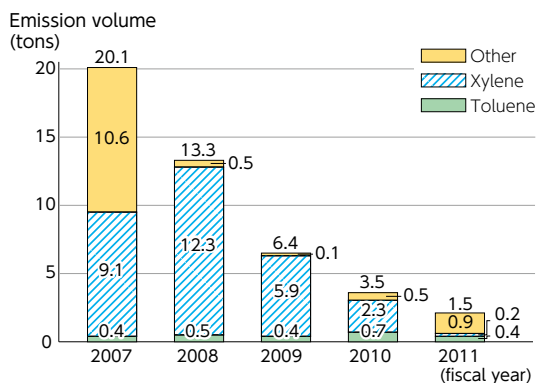
### Managing Use in Plants

[Details](#)

Our plants aim to reduce emissions of PRTR substances. Eco Vision 2015 aims for emission reduction of 80% from 2007 (43 tons or less).

The implementation of a VOC recovery unit that can reduce toluene will be redeliberated in fiscal 2012 so as to achieve Eco Vision 2015.

#### Emission volume of PRTR substances (non-consolidated)



#### Emission volumes of PRTR substances (group)

