

# Green Purchasing and Procurement

Nippon Paint strives to reduce the impact of our products on the environment by specifying voluntary standards for purchase and procurement of raw materials.

## Green Standards and Procurement

Nippon Paint implements strict management for procurement to ensure that the raw materials we purchase contribute to reducing the environmental impact of our products. Accordingly, we have established our own voluntary standards to follow in the product development stage. We call these the Green Standards for determining formulations for new products and the Green Procurement Guidelines for purchase of raw materials.

As part of this endeavor, we also conduct environmental management surveys on a regular basis for suppliers and

subcontractors from whom we purchase raw materials in excess of 5 million yen per month. In fiscal 2008, our surveys revealed that 132 companies have met our standards, a decrease from the 151 companies in fiscal 2007.

We also supply information regarding eco-friendly raw materials that we have obtained through these surveys and other media to our engineers. In fiscal 2008, we received 151 information offerings from our suppliers and subcontractors, leading to a cumulative total of 817 information offerings since fiscal 2003.

## Designated Procurement Items under Green Procurement Law

For materials used in public works projects, purchases of items designated under the Law Concerning the Promotion of Procurement of Eco-friendly Goods and Services (Green

Procurement Law) have been on the rise. Nippon Paint has introduced 18 designated items for public works projects in order to meet a wide range of project needs.

### Designated Procurement Items for Public Works Projects Available from Nippon Paint

- |                               |                                |                               |
|-------------------------------|--------------------------------|-------------------------------|
| 1. HI-PON PRIMER WB           | 7. HI-PON 20 ACE               | 13. HI-PON 20 MASTIC          |
| 2. PZ HERGON ECO              | 8. HI-PON 20 ZN                | 14. HI-PON 20 LONG            |
| 3. ANTICORROSIVE PAINT QD ECO | 9. HI-PON FINE DECHLO ONE-PACK | 15. HI-PON 30 MASTIC PRIMER   |
| 4. NIPPE ESPER ONE II         | 10. HI-PON 20 DECHLO           | 16. HI-PON 30 MASTIC PRIMER K |
| 5. HI-PON FINE PRIMER II      | 11. HI-PON 20 DECHLO (W)       | 17. HI-PON ACTIVE PRIMER      |
| 6. HI-RUBBER E PRIMER         | 12. HI-PON 20 FINE             | 18. NIPPE ROAD LINE MERCURY   |

## Topic ● Nippon Paint Group's Environmental Activities

### Employing stainless steel drums for water-based automotive coatings

The Nippon Paint Group is striving to use more environmentally friendly containers.

In July 2008, with the cooperation of Toyota Motor Corporation, we introduced highly durable stainless steel cans for water-based automotive coatings for use on Toyota cars. Stainless steel drums are thought to be usable more than 100 times unless damaged by careless mishandling, thus leading to more effective use of resources and less need for waste treatment.

Moreover, as cleaning of cans is handled by the Nippon Paint Group, consistent management is possible, contributing to more uniform product quality. Cleaning operations are carried out at the Minato Plant of AS Paint Co., Ltd., which was put into operation as a specialized facility for cleaning and recycling stainless steel drums. This plant is run by AS Paint under the management of Nippon Paint.

