

## Environmental and Sustainable Procurement Policy

### Introduction

iiyama is one of the world's leading manufacturers of computer monitors. Efficiency, performance, reliability, and user comfort are all key to the development of iiyama products.

iiyama is committed to being a responsible company, not only striving for customer satisfaction, innovation, and operational excellence but also concerning the issues related to environmental protection and labor rights. This requires the implementation of sustainability programs across our entire supply chain. iiyama has formulated an "Environmental and Sustainable Procurement Policy" and implemented it together with our business partners; we will continue to strive to reduce the impact of corporate operations and activities, products, and services on the environment.

### Scope

This policy applies to all employees and business partners.

### Key areas and targets

iiyama aims to commit to the following:

#### 1. Energy and Greenhouse Gas (GHG) Emissions

Reducing energy consumption and greenhouse gaseous emission are always a priority for iiyama. iiyama realizes that in order to reduce energy consumption and GHG emissions, measures and initiatives need to be taken. Therefore, iiyama has implemented the following actions:

- Purchase of renewable energy;
- Purchase energy-efficient lighting equipment;
- Provision of energy conservation training sessions to employees;
- Implement water conservation;
- Develop more energy-efficient products.

iiyama aims to:

- From 2022 onwards, maintain at least 50% of total energy usage in iiyama global offices from renewable energy;
- If the office needs to purchase or replace lighting equipment, from 2022 onwards, more than 80% of the lighting equipment purchased must be LED and more energy-efficient equipment;



- Provide 100% of employees with training on energy conservation at least once a year from 2022 onwards;
- Reduce at least 1% of office water use by 2030 compared to the base year (2021);
- Make sure that all monitor products of iiyama obtain the energy efficiency label (known as an ErP label)

## 2. Product-end-of-life and Waste Management

iiyama's products are all produced by partner manufacturers, iiyama's waste is limited to office and packaging waste. iiyama has implemented a variety of actions to minimise our waste:

- Provide employees with training courses related to waste recycling and require employees to do a good job of sorting office waste;
- Call on employees to save office paper and replace printing with electronic files as much as possible;
- Engage with recycling companies to reduce waste impact; - Monitor products must comply with international WEEE Directive;
- A discussion meeting at least once a year to discuss the reduction of packaging waste and the use of recycled materials.

iiyama aims to:

- Provide 100% of employees with training on waste recycling at least once a year from 2022 onwards;
- Reduce office paper use by at least 1% by 2030 compared to the base year (2021);
- Set up and promote the take-back program and recycling guide in the product manual and on iiyama website;
- Make sure that all monitor products of iiyama comply with the international WEEE Directive and have WEEE documents;
- The use of recycled paper materials for carton packaging of products, increase to 80% by 2030.

## 3. Supplier Sustainability Management

iiyama's main procurement categories are desktop monitors and LED-based monitors, gaming monitors, and touchscreens. For the realization of sustainable procurement, iiyama has established a sustainable procurement policy and requires all suppliers who sign a procurement contract with iiyama to comply with the following international environmental regulations:

- All suppliers who sign a procurement contract with iiyama must comply with the iiyama "A TQP806 E Standard for Environmentally Friendly Products" document specification. This specification includes the EU Directive 2011/65/EU, amendment directive 2015/863/EU on Restriction of Hazardous Substances (RoHS Directive) and Directive 2012/19/EU on Waste Electrical and Electronic Equipment (WEEE Directive);
- REACH Regulation (Registration, Evaluation, Authorization, and Restriction of Chemicals, EC 1907/2006), the European Union's (EU) chemical substances regulatory framework that entered into force on June 1, 2007. According to Article 33 of the REACH Regulation, manufacturers have a duty to communicate information on Substances of Very High Concern (SVHC) contained in products sold within the EU. Since October 28, 2008, the European Chemical Agency (ECHA) has issued the candidate list table for SVHC on its official website (available at: <http://echa.europa.eu/candidate-list-table>). Suppliers should confirm that all products supplied to iiyama are compliant with the requirements of Article 33 based on the candidate list of the required SVHC substances of REACH Regulation (EC) No 1907/2006.

When each supplier signs the procurement contract with iiyama, they agree to abide by iiyama's "Environmental and Sustainable Procurement Policy", include compliance with the above specifications and requirements. In order to achieve sustainable procurement, iiyama has formulated specific measures for effective promotion and implementation:

- Ensure all suppliers are in compliance with iiyama specifications and international regulations through annual supplier audits;
- Pay attention to the suppliers' internal management system;
- Establish a "Supplier Code of Conduct" and require suppliers to comply with;
- Communicate iiyama ESG (environmental, social, corporate governance) policies and ESG issues we care about with stakeholders;
- Pay attention to the performance of suppliers in three aspects of ESG.

iiyama aims to:

- iiyama conducts supplier audits every year and sets up criteria for scoring suppliers. From 2022, ensure 100% of suppliers complete iiyama's annual supplier audit;
- Ensure 100% of suppliers have both ISO 9001 and ISO 14001 certifications from 2022;
- Ensure 100% of suppliers to sign the "Supplier Code of Conduct" from 2022;
- Through physical meeting training, online meeting training, or official website information disclosure, let stakeholders clearly understand iiyama's policies and ESG issues of concern;
- Beginning in 2023, ensure that all suppliers are performing on ESG through annual supplier audits and supplier websites.

#### 4. Conflict Mineral

iiyama continues to pay attention to the issue of conflict minerals and is committed to detailed supply chain investigations to ensure that metals such as gold, tungsten, tin, tantalum, and cobalt are not mined from mining areas controlled by armed groups in Congo and its neighboring countries, and through responsible procurement behavior, requiring suppliers to respond together. iiyama is an associate member of the RMI program, and we use the RMI Conflict Minerals Reporting template to identify the risk of country-of-origin and strictly monitor suppliers. iiyama has also formulated a "Conflict Minerals Policy", which requires all suppliers to comply with it, and also calls on suppliers to promote the conflict minerals policy to their upstream suppliers. Our measures and goals are:

- Conduct an annual survey and assessment of conflict minerals for suppliers, assess risks and ensure that the smelters & refiners used by suppliers are all approved by RMI;
- Strictly require suppliers to comply with iiyama "Conflict Minerals Policy".

iiyama aims to:

- From 2022, 100% of suppliers confirm that the conflict minerals they use must be RMI-approved smelters and refiners;
- Achieve 0 conflict minerals violations by 2030.

#### 5. Code of Conduct

iiyama attaches great importance to the health and safety of workers and therefore iiyama continues to protect employees and supplier manufacturing labor through the "Code of Conduct". It contains several core ILO conventions. All suppliers must comply with the "Code of Conduct" and must also comply with the labor and human resource laws and regulations of the local country, including those related to wages, working hours, working conditions, and child labor. Our measures and goals are:

- Ensure that suppliers comply with the "Code of Conduct" and suppliers must train their upstream suppliers on the content of the "Code of Conduct".

iiyama aims to:

- Achieve 100% of suppliers must confirm compliance with the "Code of Conduct" and complete training of their upstream suppliers by 2025.

## Frequency of review

This policy shall be annually reviewed by the R&D Department - ESG Sustainability Staff for continual improvement.

Document version	Date of review	Date of next review
V2.0	2022/10/1	2023/10/1

## Responsibility

iiyama ensures that all employees are trained on this policy during the onboarding process. External parties like suppliers, consultants and other business partners shall be made aware of this policy upon signing their services agreement or contract with iiyama. All employees and external parties are to acknowledge and contribute to the goals set out in this policy.

## Sanctions

All employees and business partners are welcome to report any incidents to any of the following options:

- - Reporting to the manager;
- - Send an email to HR officers (email: h.chiba@iiyama.com);
- - Posting an anonymous letter to head quarter.

All whistleblowers who raise an issue honestly are prohibited from being retaliated against. Besides, whistleblowers will remain anonymous and are granted immunity. We value employees to voice out and identify potential problems. We will immediately initiate an incident investigation process. Sanctions may apply once the reported incidents are confirmed as violations and disciplinary measures will be applied based on company rules and local regulations. Please refer to our Whistleblowing Policy for more details.

**Shinji Takeichi**  
CEO