

Green Procurement in Japan and Overseas

Green Procurement by the Casio Group

Pursuant to its Casio Group Green Procurement Standard Manual, the Casio Group preferentially buys components with low environmental burden from eco-conscious suppliers. Casio asks all its suppliers of products, components, and raw materials to assess the state of ISO 14001-based environmental management systems in their production facilities, and the energy- and resource-saving qualities, recyclability, and hazardous chemical substance content of products for purchase. We started this research in FY2000. Its results are put into a database and used as criteria for the preferential procurement of green components and for green product development.

Casio gives the name “green suppliers” to factories that meet our environmental standards, and the name “green components” to components that are produced at those factories and that meet our standards. The proportion in monetary terms of green components in total part purchasing from regular suppliers is defined as our “green procurement ratio.”

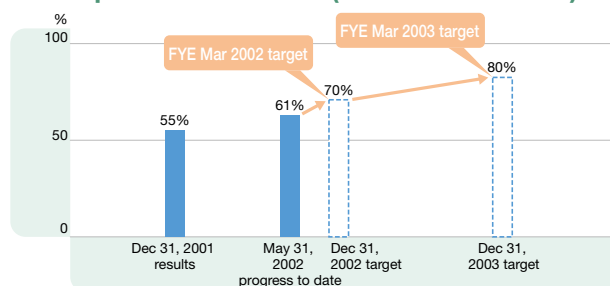
To help push the green procurement ratio higher, we determine three internal indicators called “green operation rate,” “green supplier ratio,” and “green component ratio.”



Green Procurement Committee
Plan-execution Section
Strategic Procurement Division
Hiroshi Yamada, Director

$$\text{Green procurement ratio (\%)} = \frac{\text{Green components purchasing (¥)}}{\text{Total components purchasing (¥)}} \times 100$$

Green procurement ratio (domestic facilities)



FY2001 Achievements

Our domestic facilities' green procurement ratio at the end of FY2001 was 55% (that year's target was 50%), and we are now working to attain 70% at the end of FY2002. We have also published an overseas edition of our Casio Group Green Procurement Standard Manual, and have begun green procurement at our overseas production facilities.



A green procurement presentation in China

Future Initiatives

We shall continue efforts to raise our green procurement ratio to attain the environmental action target of “80% domestic green procurement ratio in FY2003.” While preferentially purchasing green components, we shall request improvements of suppliers not yet meeting standards, and ask for cooperation from suppliers that have yet to respond.

Casio Group Green Procurement includes investigating the content of chemical substances of potential harm to the environment. We have designated 9 banned substances and 18 substances for reduction. Components containing banned

substances must not be purchased, and we cooperate with suppliers in decreasing any substances for reduction found in their components. We plan to database this information and use it to reduce hazardous chemical substances in products, to comply with WEEE, RoHS,* and other environmental laws and regulations, and to obtain eco-labels.

These data are maintained and managed so that the assessment database will allow us to correctly choose parts and materials with low environmental burden at the development and design stages.

Glossary

WEEE & RoHS

European Union directives on electric and electronic equipment. They require the recovery and recycling of

discarded equipment, and prohibit the inclusion of lead, cadmium, mercury, hexavalent chromium, PBDEs, and PBBs in products.