Environmental Compliance

Worldwide, environmental regulations are being strengthened to preserve the beauty of the Earth. Whether global or local, compliance with environmental regulations has become an integral part of the corporate mission. Companies today recognize the need to address issues such as risk management and environmental information disclosure, while complying with greenhouse gas emissions regulations, the prohibition of products containing harmful chemical substances and ISO 14001 legal requirements. Here is an overview of Casio's environmental compliance initiatives.

Standards management and audits: Regular internal audits and third-party audits

There are 14 Casio sites which have obtained ISO 14001 certification.

Each of these sites regularly implements conditions management and improvement activities by measuring concentrations of dust, SOx, and NOx in exhaust emissions, based on voluntary standards and standards established by national and local governments. They also measure wastewater quality (water containing harmful substances). Moreover, the sites measure and report usage conditions for harmful atmospheric pollutants, as well as handling quantities and atmospheric emissions of volatile organic compounds (VOCs).

Each site trains internal environmental auditors and environmental provisional auditors. In addition to carrying out internal audits, third-party audits by external organizations are also regularly performed, and improvement activities are carried out.

Going forward, Casio will work to improve the environmental risk detection skills of its internal environmental auditors, as a way to improve its overall environmental audit capability. Casio will also seek to improve auditors' understanding of various environmental laws, and provide training in worldwide laws relating to chemical substance control and information management. Casio intends these auditors to lead the way in environment compliance, starting at the local site, by discovering issues and proposing ways to improve.

Compliance Audits in the Phases of Product Development, Design, and Manufacturing

In recent years, laws and regulations on the environmental performance of products have become stricter. In addition to stricter regulations in EU nations and US states, stronger laws are also being discussed and enacted in the newly emerging economies of Asia and Latin America, referencing those already established by developed countries. In some cases, the newer laws are based on the established ones, but they often have small differences in the specific requirements. It is vital for Casio to interpret these regulations properly, and make whatever product adjustments are needed.

Accordingly, Casio always obtains the latest news from each region and specialized information services, while also exchanging information with other companies in the same industry. The information is used to check that Casio products meet legal requirements. The company analyzes the text of laws including those under deliberation, and establishes specific product response policies immediately after new laws are officially announced, ensuring that all Casio products are legally compliant.

Casio has established a Product Environment Law Study Working Group within its New Green Product Development Council. The working group includes representatives from the environmental management, technology, development/design, and sales departments, and investigates measures for product compliance. The group members share information, establish reasonable response policies, and confirm response progress, for efforts relating to both current and future laws. They also offer support to the development, design, manufacturing and sales departments.

The working group performs the following.

1. Gathering and sharing legal information from and with sources such as industrial associations, sales companies in each region, information services, and other companies in the same industry
2. Analyzing and interpreting legal information
3. Ensuring obligations are met by manufacturing, import, export, and sales entities
4. Creating development and design standards, and conducting inspections
5. Improving the usage efficiency for design support tools (database of chemical substances contained in products, etc.)

With the enactment of some regulations carrying severe penalties, Casio also recognizes the need to keep strengthening risk management.

Furthermore, Casio conducts environmental audits before shipping new products in the development and design departments to check for environmental design that conforms not only to laws and regulations by also to the Casio Voluntary Plan for the Environment. The group also conducts audits of chemical substances to check whether products comply with laws and regulations on chemical substances in various overseas markets. Products are cleared for shipment on confirmation that all parts and materials satisfy standards on chemical substances.

Compliance Relating to Chemical Substances Contained in Products

Countries around the world have implemented new laws pertaining to chemical substances contained in electrical and electronics products, while existing laws continue to be strengthened each year. Individual laws and regulations vary in terms of the applicable chemical substances, regulated applications, exempt applications, threshold values, scope, and requirements (content restrictions, labeling, and information provision, etc.).
Casio has consolidated the requirements of various laws on chemical substances contained in products and has incorporated them into the Casio Green Procurement Standards. The development and design departments are then able to comply with regulations worldwide by checking a database to see whether a part or material to be included in a product meets the Casio Green Procurement Standards.

Compliance Relating to the Proper Collection, Recycling, and Disposal of Used Products

Countries around the world also have regulations for the collection and recycling of used electrical and electronics products, packaging materials, and batteries. Companies must comply with the requirements of each law including product design to save resources and facilitate recycling, labeling and information provision to promote user participation in the sorted collection of products for recycling, as well as information provision for proper product disposal.
Through audits at the end of the product design process, Casio evaluates each product design in terms of resource savings, ease of dismantling, recycling potential, and recycled material content. Confirmation is also made to see whether the recycling symbols and displayed information meet legal requirements worldwide.
Casio established a project involving professionals such as engineers, designers and others related to each product genre aimed at developing products that are easy to reuse in accordance with Japan's Small Electronic Appliance Recycling Act, which was enacted in April 2013. Under the project, Casio conducted interviews on areas such as methods of disassembly with intermediate processors and metal refiners who handle recycling of used small appliances. The company reflected the results of the interviews in its in-house design manual to facilitate the development of products that are easy to reuse.

Compliance Relating to Power Consumption

There are also regulations on power consumption and efficiency for electrical and electronics products including external power supplies and chargers, based on product categories and power source types. Companies must also meet various requirements relating to power consumption and efficiency, including regulations that require the meeting of minimum standards and those that mandate the display of power consumption information. Casio confirms the applicable regulations for each of its products, and carries out product development and design to meet the requirements. Approval applications and reports are made to the relevant agencies as necessary.

Compliance Relating to Energy Saving and the Prevention of Global Warming

The following measures to comply with regulations on energy saving and the prevention of global warming are important efforts to achieve Casio's medium and long-term Environmental Vision and Environmental Declaration for the realization of a low-carbon society.

1. Act on the Rational Use of Energy

Casio Computer Co., Ltd., and certain group companies in Japan are working on the rationalization of energy use, as applicable business entities under the Act on the Rational Use of Energy. In addition to the regular submission of reports and medium and long-term plans since fiscal 2010, these Casio entities have set up management systems according to the determination standards relating to the rational use of energy.

2. Act on the Promotion of Global Warming Countermeasures

Casio Computer Co., Ltd., and applicable group companies do not exceed the standards for emissions of greenhouse gases other than CO_2 arising from energy use set by Japan's Act on the Promotion of Global Warming Countermeasures. They are complying with requirements for the reporting of greenhouse gas emissions, by regularly submitting reports under the Act on the Rational Use of Energy.

3. Environmental Regulations in Tokyo

Since fiscal 2009, the Tokyo Cap-and-Trade Program for greenhouse gas emissions has been in effect for large business facilities (with energy usage of more than 1,500 kl per year, crude oil equivalent) located in Tokyo. The system requires companies to reduce total greenhouse gas emissions against standard emission amounts in each upcoming five-year reduction period.

A system for Reporting on Measures against Global Warming was also introduced in fiscal 2010, for all small and medium-size business facilities (with energy usage of less than 1,500 kl per year, crude oil equivalent) in Tokyo.

The applicable Casio Group sites understand the purpose of the program and are ascertaining current conditions, implementing measures and preparing/submitting mandatory and voluntary reports based on the ISO 14001 management system.

Compliance relating to environmental information disclosure

There is a growing international movement calling for the creation of information disclosure standards for companies.

Along with the need for Japanese standards to coincide with the International Financial Reporting Standards (IFRS), there is a movement calling for the provision of Management Commentaries (MC) as a form of disclosure of non-financial and corporate forecast information. In other words, companies will need to disclose non-financial data which describes the connections between the company's current situation, business strategy, risks, and financial performance, and other relevant information.

In order to provide its stakeholders with the proper environmental information in a way that it is easy to understand, Casio has the following aims.

1. To adopt more accurate indices relating to environmental impact, and to provide comparable information
2. To provide non-financial information including environmental information that indicates the connections with corporate strategy
3. To explain the capability of environmental information to improve corporate performance

Along with working to disclose environmental information, Casio will promote international disclosure standards for non-financial information, and work towards standardization.

Highlight: Participating in the Wal-Mart Sustainability Index Project

Sustainability is becoming a key word for manufacturers, retailers and suppliers. Recently, retailers are aggressive about achieving their sustainability goals. Manufacturers and suppliers need to respond and be actively involved in retailers' initiatives. For example, Wal-Mart is actively engaged in sustainability initiatives. One of its initiatives is a Sustainability Index.

Wal-Mart conducted a Supplier Sustainability Assessment which is a brief survey to evaluate supplier's sustainability in 2009, and Casio responded to the survey.

Global Milestone Meeting hosted by Wal-Mart in July 2009, in Arkansas (Photo courtesy of Wal-Mart)