

# Green Procurement

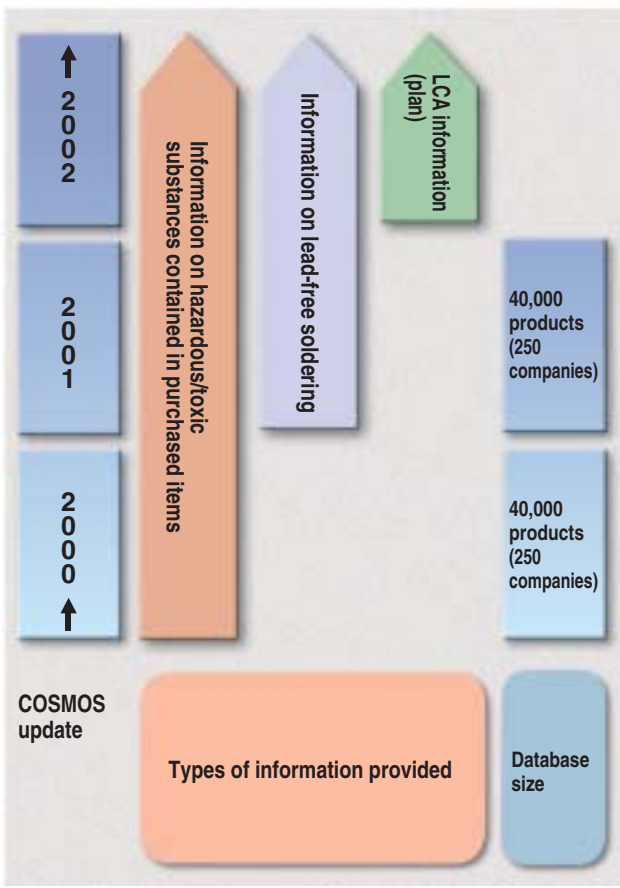
Oki Electric has been concentrating its efforts in green procurement to reduce the environmental impact of Oki products produced, as the majority of items purchased comprise parts and materials used in manufactured products. The following are the major items of environmental impact caused by purchased items:

- (1) CO<sub>2</sub> emissions through energy consumption, discharge of waste materials, and discharge of chemical pollutants during the manufacture of purchased parts.
- (2) CO<sub>2</sub> emissions due to power consumption of purchased electronic components.
- (3) Outflow of toxic substances at the time of product's disposal.

We at Oki Electric are engaged in the following activities in order to reduce such environmental impact relating to purchased items.

## Operation of hazardous and toxic substances information management system

A hazardous and toxic substance management system (known internally as "COSMOS") has been established to reduce the use of chemical substances that may adversely affect the environment. This system is in operation in conjunction with the in-house networks and design tools, offering information that allows engineers to design products by selecting parts and materials which are eco-friendly. The COSMOS database is being updated each year both in terms of quality and quantity.



## Business partner evaluation

The environmental impact generated by purchased materials and during the manufacture of parts can also be considered as the environmental impact of Oki products. In order to reduce such environmental impact, Oki conducts "business partner evaluations." The following diagram shows the flow for business partner evaluation conducted at the Semiconductor Division. The regulatory compliance status and environmental protection activity status are verified, while improvement requests are offered and field verifications are conducted as deemed necessary.

