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Utilizing OKI's Technology to Provide Products Meeting Customer Needs in Conformity with Increasingly Demanding Regulations about Chemical Substances Contained in Products

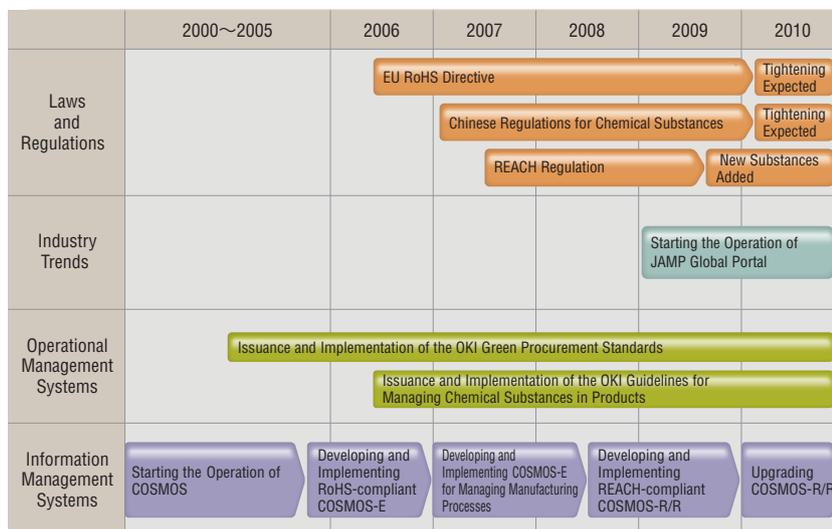
Promoting the Management of Chemical Substances Contained in Products

Regulations to control chemical substances contained in products, such as EU's RoHS directive and REACH* regulation, have recently become increasingly demanding. Similar regulations have been enacted in other countries such as China, Korea and Canada as well. This global trend indicates that the management of chemical substances contained in products have now become an important challenge for companies.

The OKI Group is a pioneer in the management of chemical substances in products. In fact, it established and implemented some management systems for chemical substances long before the above regulations. One of such system was the Product Assessment System established in 1998. OKI's management of chemical substances contained in products is characterized by a detailed list of items to be checked that covers all business processes from product design to delivery, original information systems developed and implemented to pursue preciseness in information, and the constant improvement of such systems in response to the enactment and revision of relevant regulations. Since the enforcement of REACH required us to understand and manage information on chemical substances throughout our supply chain, we developed a new system called COINServ-COSMOS-R/R (hereafter referred to as COSMOS-R/R) in fiscal 2008. COSMOS-R/R, that has been used within the group since 2008, helps users cope with Green Procurement (the avoidance of any materials containing hazardous substances) and answer inquiries from customers.

* REACH(Registration, Evaluation, Authorization and Restriction of Chemicals) regulation: A new European regulation to be applied to all companies manufacturing and importing chemicals in the European Union. It requires manufacturers / importers to register and evaluate any chemicals subject thereto. In addition, they need to obtain authorization from the relevant authorities about the use of substances of very high concern. The regulation also restrains the use of substances with higher risks.

The OKI Group's Main Efforts



Characteristics of COSMOS-R/R

Developed drawing on OKI's network technology, COSMOS-R/R is the combination of a data base on chemical substances and a product design system. It automatically calculates the quantities of the chemical substances contained in a product, including those of the substances used in the production process such as solder, based on several factors such as the component formation and processing conditions, and verify the conformity with the requirements of REACH. It is notable that the system enables the efficient management of information because it supports the unified format set by the Japan Green Procurement Survey Standardization Initiative (JGSPSSI) and the Joint Article Management Promotion Consortium (JAMP). COSMOS-R/R allows environment-conscious product design, and dramatically streamline cumbersome procedures such as data research and registration. We have marketed the system to companies outside the OKI Group since September 2009.

Further Ensuring Conformity to Regulations

Regulations to manage chemical substances in products are often revised or tightened as additional substances become subject to control. In order to promptly respond to such changes, we need not only to understand relevant rules and regulation accurately but also to find out how to meet the new requirements considering design and production processes. In other words, the key to the effective management of chemical substances is the profound understanding of the people in charge about what is really happening on the front lines of development and production.

In fiscal 2009, in order to appropriately handle chemical substances, especially the ones specified as substances of very high concern (SVHC) by REACH regulation, the OKI Group revised the OKI Guidelines for Managing Chemical Substances in Products, a set of rules to handle chemical substances in all business processes from design to delivery, and the OKI Green Procurement Standards, a guideline to search information on chemical substances. We will continue to be committed to safe and secure manufacturing by establishing the appropriate management of chemical substances in conformity with all relevant rules and regulations.