

SOCIAL RESPONSIBILITY

Efforts to Protect the Environment

As part of our efforts to help create a sustainable society, we are taking a number of steps to protect the environment, including incorporating environmental concerns in the development of new products and working to achieve zero emissions in our manufacturing operations. These activities are underpinned by the JVC Environmental Committee, which sets long-term goals for environmental policy and formulates Voluntary Environmental Action Plans. Committees responsible for the implementation of these policies and plans ensure environmental activities are a fundamental element of JVC's day-to-day operations.

VOLUNTARY ENVIRONMENTAL ACTION PLANS

During fiscal 2002, we developed a range of new products that further reduce power consumption during both standby and use. These included 13 video recorders and 10 televisions that meet energy-saving standards for electrical appliances set out in Japan's Energy Conservation Law. In our manufacturing operations, we reduced factory CO₂ emissions by 10% and achieved a recycling ratio of 97%*.

*Recycling ratio = recycled amount / (recycled amount + final disposal amount)

WORKING WITH SUPPLIERS TO PROMOTE GREEN PURCHASING

Since establishing guidelines for green purchasing in fiscal 1999, JVC has been calling on suppliers to implement measures that reduce the impact of their operations on the environment and requesting the supply of materials and components that take into account environmental concerns. This includes evaluating the level of environmental management at each of our 535 key suppliers and certifying companies as green suppliers upon their meeting environmental standards stipulated by JVC. As of March 31, 2002, 456 of our suppliers had been awarded this certification.

REDUCING PACKAGING MATERIALS

Containers and packaging account for about 60% of all general waste in Japan. In an effort to reduce this amount, the Container and Packaging Recycling Law was introduced, requiring all larger corporations to pay recycling costs for the packaging materials they produce. Although steps have been taken in recent years to reduce the volume of packaging, the trend toward larger products has led to an increase in the use of expanded polystyrene (EPS) and greater use of packaging. Based on Voluntary Environmental Action Plans, JVC is implementing its own measures to combat this problem, with some success—in fiscal 2002, we reduced the volume of packaging used by 32.8%, to 17,539 tons, and the amount of EPS used in packaging by 29.4%, to 1,807 tons.