

Advancing Super Green Management

Sharp's system for advancing environmental sustainability management is centered on the Environmental Protection Group. Under this system, Sharp is continuously making efforts to strengthen environmental sustainability management and raise employees' environmental awareness by building an Integrated Management System that is incorporated into a strategic management system and by implementing environmental education programs.

Objectives for Fiscal 2007	Achievements for Fiscal 2007	Objectives for Fiscal 2008	Objectives for Fiscal 2010
Introduce S-EMS at 22 overseas production sites	Introduced S-EMS at 22 overseas production sites	—	—
Complete ISO 14001 certification at all overseas non-production consolidated subsidiaries	Completed ISO 14001 certification at all overseas non-production consolidated subsidiaries	—	—
Build Integrated Management System at 6 domestic production sites in total	Built Integrated Management System at 4 domestic production sites in total	Build Integrated Management System at 5 domestic and 5 overseas production sites in total	Build Integrated Management System at 5 domestic and 12 overseas production sites in total
Conduct cross audits at 10 overseas production sites in total	Conducted cross audits at 12 overseas production sites in total	Conduct cross audits at 15 overseas production sites in total	Conduct cross audits at 22 overseas production sites in total
Introduce trial runs of the Green Office certification system at domestic non-production sites	A total of 17 domestic non-production sites Green Office certified	Certify 30 Green Office domestic non-production sites in total	Certify 56 Green Office domestic non-production sites in total

Environmental Sustainability Management Centered on the Environmental Protection Group

Under the aegis of the Environmental Protection Group, which plays a key role in Sharp's environmental sustainability management, Sharp holds biannual General Global Environmental Conferences. The conferences discuss and set environmental guidelines, strategies, and objectives for all Sharp Group companies. Sharp also hosts Company-Wide GP (Green Product) and GF (Green Factory) Conferences on a nearly bimonthly basis to discuss specific environmental measures concerning products and plants.

Also, at regional environmental conferences held in four world regions, participants gain a deeper understanding of environmental guidelines, strategies, and objectives, as well as discuss specific themes and case reports from each site.

With the Environmental Protection Group playing a central role, managers and departments in charge of environmental matters at all sites are working closely together to put Sharp's environmentally advanced policies into practice.

Sharp Group's environmental sustainability management

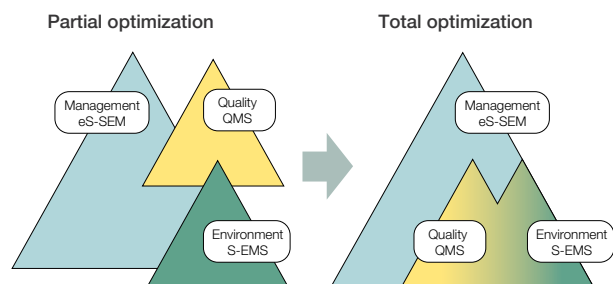


Integrated Management System Incorporated into the eS-SEM Strategic Management System

Sharp has put in place a proprietary environmental management system (S-EMS^{*1}) aimed at reinforcing environmental legal compliance and improving environmental activities. For products and services, Sharp has introduced its Quality Management System (QMS) to carry out thorough quality control, further improve quality, and raise customer satisfaction levels.

In fiscal 2006, the previously separate S-EMS and QMS were merged into the Integrated Management System, which has been incorporated into Sharp's original strategic management system (eS-SEM^{*2}). The Integrated Management System has been adopted at the Hiroshima Plant and the Yao Plant. Through total optimization, the Integrated Management System has allowed problem solving to become easier and management to become more precise and efficient. In fiscal 2007, the Integrated Management System was also implemented at plants in Tochigi and Mihara, and in fiscal 2008 Sharp looks to continue spreading the system throughout domestic sites and begin overseas implementation.

Structure of Integrated Management System



*1 S-EMS (Sharp Environmental Management System): Sharp's original environmental management system based on ISO 14001 plus an additional 49 original criteria.
 *2 eS-SEM (e-Sharp Strategic Enterprise Management): Sharp's original strategic management system based on the balanced scorecard concept.

Introducing Green Office Certification

Given the importance of applying environmental measures to the office, Sharp introduced the Green Office certification system at non-production sites in Japan in fiscal 2007 as a complement to the S-EMS.

This certification recognizes an office as a Green Office if it follows eight designated evaluation criteria, such as “Adherence to environmental laws” and “Prevention of global warming.” By establishing specific numerical goals and quantifying the degree to which those goals are met, Sharp is working to “visualize” the results of its environmental efforts in the office.

This system resulted in 17 out of 56 offices attaining certification in fiscal 2007. Sharp plans to expand the certification to include a wider variety of workplaces and pursue certification of overseas non-production sites as well.

Green Office certification standards

Evaluation criteria	Evaluation points
Adherence to environmental laws	<ul style="list-style-type: none"> Adherence to laws The conditions of compliance as evaluated by internal and external audits
Reduction of environmental impact through work specific to each business division	<ul style="list-style-type: none"> Selling of environmentally conscious products Improvement of employee skills
Prevention of global warming	<ul style="list-style-type: none"> Energy-saving efforts Introduction of eco-cars
Waste management	<ul style="list-style-type: none"> Promotion of zero discharge to landfill Introduction of electronic manifestos
Green purchasing, etc.	<ul style="list-style-type: none"> Reduction of paper usage Promotion of green purchasing
Environmental maintenance in the workplace	<ul style="list-style-type: none"> Operational management of facilities and equipment Management of waste storage facilities
Implementation of environmental education	<ul style="list-style-type: none"> Achievement ratio of education programs Acquisition of S-EMS auditors
Environmental social action programs	<ul style="list-style-type: none"> Implementation of community activities Support of environmental education programs at elementary schools

Conducting Cross Auditing Overseas

To augment internal audits being done on a per-site basis, in fiscal 2001 Sharp initiated cross audits in which multiple sites in Japan audit each other. Cross audits were introduced overseas in fiscal 2006.

Cross audits were introduced with the goal of raising the proficiency of internal auditors and improving audits. Sharp is seeing big results from the auditors exchanging their wide-ranging know-how through mutual study and development, and also expanding their knowledge and enriching their personal network.

In fiscal 2007, six audit sites in China, three in Malaysia, two in Indonesia, and one in the Philippines were added to the audits already taking place in Japan. Future plans involve setting up more cross audits at sites in Southeast Asia, Europe, and North America.



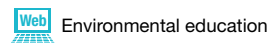
Cross audit at SREC in Malaysia

Stepping Up Environmental Education and Training

Sharp offers systematic environmental education and training, divided into Master, Expert, and General courses.

In fiscal 2007, Sharp held Environmental Master training for environmental officers at each plant. The training took place five times at four sites in Japan, and also at six sites in China and three sites in Malaysia. The training included lectures and group discussions about themes closely connected to business, such as environmental strategies, adherence to laws, environmental facilities, energy savings, waste disposal, and management of chemicals.

Also, a new environmental ISO trainer program was added to the Expert course for people who train S-EMS auditors.



Environmental education and training system



Cross audits of S-EMS operations between sites

