

Environmental Management

Basic Approach and Policy

The Olympus Group Environmental Charter was adopted in August 1992 with the aim of defining our basic philosophy on environmental issues and linking that philosophy to concrete action. In order to foster solutions to social problems through our business operations, in May 2015 we added an item to the Environmental Charter on compatibility between environmental protection and economic growth, and revised it into the Olympus Group Environmental Policy. Placing great importance on reducing environmental loads throughout product life cycles, we are actively working to improve the environmental performance of our products, facilities, and logistics processes.

Olympus Group Environmental Policy

Based on our corporate philosophy of “Making people’s lives healthier, safer and more fulfilling” that provides the basis for all corporate activities, the Olympus Group respects people’s security, health and the natural mechanisms. We will contribute to the realization of a sustainable society and sound environment by working to make the environment and economy compatible throughout our business operations.

1. Participation by All

Each employee enriches their understanding of environmental activities and each one of us will participate in the environmental activities conducted in consideration of the local features.

2. Promotion of Environmental Management

We will maintain the environmental management system and mechanism on a global scale so that we can continuously improve our environmental activities.

3. Compliance with Laws, Regulations, and Social Norms

We will fully comply with the laws and regulations, agreements with our stakeholders, and our voluntary standards in respect to the environment.

4. Reduction of Environmental Impact

Toward the solution of environmental issues, prevention of pollution, sustainable resource use, climate change mitigation and adaptation, and protection of biodiversity, we will reduce environmental impact of our products, services and business activities.

5. Development of Technologies to Foster Harmony with the Environment

We will develop the technologies that contribute to environmental protection and will make use of the results in our manufacturing processes, products and services.

6. Attributing Importance to Environmental Communication

We will proactively dispatch information about our environmental activities within and outside Olympus to deepen mutual understanding with our stakeholders.

System and its Activities

System to Promote Environmental Management

We have established a unit to promote environmental management within each of our business units and Group companies, while the Olympus Group Environmental Management Division is tasked with fostering environmental management across the Group. Progress on these activities is reviewed by the Board of Directors and the Executive Management Committee, and measures are taken across the Group to achieve our predefined environmental targets. We are collecting environmental measures, the status of legal compliance and the environmental data necessary for our environmental management system from each of our global sites. We established an efficient information infrastructure to collect and share these data across the Group and put it into operation in fiscal 2014.

Moreover, our major production facilities, as well as logistics and sales subsidiaries in Japan and overseas, have ISO 14001 certification, and we are continuously improving our environmental management system through audits and by other means. In June 2018, all group business sites and offices certified with ISO 14001 completed their certification update to ISO14001:2015, the revised certification for 2015. Furthermore, Olympus Corporation of the Americas, Olympus Surgical Technologies America and Spiration Inc. in the USA are establishing their internal system and the environmental management system to obtain new ISO140001 certification in fiscal 2019.

Environmental Management Structure



*Covered businesses are consolidated Group companies both in Japan and overseas.

List of ISO 14001 Certified Sites/Offices

Sites/Office		Date of Certification	
Japan	Olympus Corporation	Technology Research Center (Ishikawa)	March, 2000
		Technology Research Center (Utsugi)	March, 2000
		Technology Research Center (Takakura)	February, 2018
		Nagano Facility (Tatsuno)	February, 1998
		Nagano Facility (Ina)	May, 2014
		Shirakawa Facility	October, 1998
		Olympus Medical Systems Corporation	Hinode Plant
	Aizu Olympus Co., Ltd.		October, 1998
	Shirakawa Olympus Co., Ltd.		October, 1998
	Aomori Olympus Co., Ltd.		November, 1998
Olympus Logitex Co., Ltd.		November, 2003	
Olympus Medical Science Sales Co., Ltd.		March, 2004	

Sites/Office		Date of Certification
Asia Oceania	Olympus (GuangZhou) Industrial Co., Ltd.	October, 2004
	Olympus Trading (Shanghai) Limited	February, 2012
	Olympus Vietnam Co., Ltd.	April, 2013
	Olympus Australia Pty Ltd	August, 2017
Europe	Olympus Winter & Ibe GmbH	May, 2001
	KeyMed (Medical & Industrial Equipment) Ltd.	March, 2002
	KeyMed (Ireland) Ltd.	March, 2002
	Algram Group Ltd	January, 2007
Americas	Medical Physics International Limited	October, 2012
	Olympus Surgical Technologies America National Service Center	December, 2005
	Olympus Scientific Solutions Americas Corp.	July, 2010
	Olympus Scientific Solutions Technologies Inc.	July, 2010
	Olympus NDT Canada Inc.	July, 2010

◎ Major Environmental Activity Results in Fiscal 2018

Primary Policy		Target	Measures	Achievements and Results in FY2018	FY2019 Target
Promotion of environmental management	Enhancement of environmental governance system	Improve operation efficiency for the Environmental Management System in compliance with ISO 14001:2015	<ul style="list-style-type: none"> Respond to ISO 14001 revisions Activities for integrated certification of ISO14001 	<ul style="list-style-type: none"> Completed updating to ISO14001:2015 certification in 17 global business sites Provided practical training for environmental promotion officers and Environmental Secretariat (16 people) Provided training for auditors on the revised ISO standard (78 persons). Complete establishment of environment-related rules in Japan 	<p>Complete ISO14001:2015 certification in regional headquarter and production sites (2 sites) in Americas</p> <p>Ensure appropriate response to indicated points in internal environmental audit and ISO14001 certification audit</p> <p>Introduce and entrench operations of the integrated environmental management system in Japan</p>
	Environmental risk reduction activities	Continue to improve the process to comply with environmental laws	<ul style="list-style-type: none"> Enhance inspection for compliance status with environmental laws and regulations 	<ul style="list-style-type: none"> On-site risk assessment for environment and safety in Hachioji Facility (Utsugi) On-site risk assessment of compliance with laws and regulations in seven domestic production sites Continue to improve the environmental regulatory compliance process for products and facilities 	<p>Expand target sites for the Environmental/safety and health risk</p> <p>Continue to improve the environmental regulatory compliance process for products and facilities</p>
	Product-related initiatives	Create Olympus Eco-Products	<ul style="list-style-type: none"> Create products that are environmentally conscious and tailored to business characteristics 	<ul style="list-style-type: none"> Created new Eco-Products in all business units (43 new, bringing total to 627) 	<p>Continue to create products that are environmentally conscious and tailored to business characteristics</p>
Environmental initiative throughout product life cycles	Facilities-related initiatives	<p>Energy consumption rate: improve by 7.73% or more (compared to FY2012), by 2020</p> <p>Water use rate: improve compared to FY2017</p> <p>Waste recycle rate: improve compared to FY2016</p>	<ul style="list-style-type: none"> Carry out activities to improve the energy consumption rate in accordance to local characteristics such as manufacturing improvement, energy conservation, introduction of natural energy, etc. 	<ul style="list-style-type: none"> Energy consumption rate: improve by 12.8% Water use rate: improve by 6.3% Waste recycle rate: same as previous fiscal year 	<p>Energy consumption rate: improve compared to FY2018</p> <p>Water use rate: improve compared to FY2018</p> <p>Waste recycle rate: improve compared to FY2018</p>

Systems and Mechanisms

Environmental Risk Management

Chemical substances in products, violation of laws and regulations on effluent from manufacturing sites and contamination of soil and groundwater are serious environmental risks that affects Olympus management, from aspects such as the need to suspend business operations, cost of restoring sites to their original state and the lowering of corporate value. For this reason, efforts are underway to reduce environmental risks by developing and maintaining regulations adapted to statutory requirements, training environmental managers and the personnel involved and monitoring and improving on-site management expertise.

Olympus recognizes climate change, represented by the frequent occurrence of abnormal meteorological conditions and stronger demands from the international community to prevent global warming, as a major environmental issue that affects our business activities. The specific risks, opportunities and measures on climate change are given below.

Risks and Opportunities		Measures
Risks	Transition Risk	<ul style="list-style-type: none"> • Increase in business cost with carbon tax, emission trading and CO₂ emission control in various nations
	Physical risks	<ul style="list-style-type: none"> • Supply chain disruption caused by growing scale of natural disasters, such as typhoons, floods, etc.
Opportunities		<ul style="list-style-type: none"> • Improved energy efficiency • Wider use of renewable energy
		<ul style="list-style-type: none"> • Diversification of suppliers
		<ul style="list-style-type: none"> • Evaluation of stakeholders
		<ul style="list-style-type: none"> • Eco-friendly design in product/service design and development stage • Development and provision of products/services that contribute to resolving environmental issues in society

In view of the great global interest in water risk, Olympus employs Aqueduct, a water risk evaluation tool from the World Resources Institute (WRI) and disaster prevention maps to evaluate physical water stress and regulatory risks that apply to the water resources for its key development and production sites to confirm that they are not located in high-risk regions. Although the impact on the business activities of Olympus is minimal, business sites are being set up in locations with abundant water resources, water consumption by our business activities is being reduced, managers are being appointed at our wastewater facilities and regular measurements conducted on wastewater.

Compliance with Environmental Laws (Fiscal 2018)

There are no violations or incidents related to environmental laws and regulations (Relatively minor violations have been excluded). Also, there are no claims, penalties and fines.

Biodiversity Conservation

There is a concern that the loss of biodiversity will have a serious impact on the global environment and our lives.

The Olympus Group is working to conserve biodiversity, including the management of water use and wastewater and the maintenance of green spaces, through cleanup and forest conservation activities in areas surrounding its facilities.

Green Procurement

Olympus published the "Olympus Group Green Procurement Standard" in 2001. The Green Procurement Standard, which is also posted on our website, explains the Olympus Group's approach to its environmental activities to all suppliers.

In addition, in our corporate survey that we conduct once a year targeting major suppliers in Japan and abroad with whom we have ongoing business, we verify whether the suppliers have acquired ISO 14001 certification, reduced CO₂ and waste, and what measures they have taken against chemical substances. In this way, we are working to raise the level of our environmental activities with suppliers.

Olympus Group Green Procurement Standard
<http://www.olympus-global.com/en/csr/involvement/management/procurement/>

Environmental Education and Awareness Activities

To promote environmental activities with the participation of all employees based on the “Olympus Group Environmental Policy,” Olympus works to raise environmental awareness through activities implemented during the Olympus Environmental Awareness Month, such as the “Global Environmental Photo Contest.”

Moreover, we provide environmental education appropriate to each department, including education on compliance with environmental laws and regulations and on the ISO 14001 internal audit.

Global Environmental Photo Contest

http://www.olympus-global.com/en/csr/involvement/management/WEB_education/2016.jsp

◎ Major Environmental Education Programs (Olympus Group in Japan/Fiscal 2018)

Target	Purpose/Description	Number of Participants
Environmental managers	Thorough notification of revisions to environmental laws, along with necessary changes in operations at facilities Understanding the ISO14001:2015 requirements	2
Environmental Secretariat staff at facilities	Training to improve skills for environmental officers (Understanding key points for efficient usage of the Environmental Information Management System and related discussions)	14
Environmental audit leaders	Training to improve internal audit skills (Understanding key points in audit indications and improvement proposals, audit role playing, etc.)	18
Environmental auditors	Audit training based on ISO 14001 (Understanding the revisions to ISO 14001:2015, audit experience, etc.)	60