

Case Study - Panasonic Mobile Communications Development of Europe Ltd

Company Background

The principle activity of Panasonic Mobile Communications of Development Europe Ltd (PMCDE) is the design and development of mobile communications technology including current handsets and future technologies (Third Generation). PMCDE is a division of the Matsushita Group which has over 288,000 employees worldwide. There are approximately 330 staff in the PMCDE division at the Thatcham site.

Sustainability Initiatives

Key Achievements

- Co-operative ventures with key customers on corporate social responsibility issues and application of codes of conduct.
- Support of local corporate social responsibility issues.
- Continued development of products compliant with the European Union voluntary code on stand-by power losses, with advances in product technology including the application of Blue Tooth.
- Development of phones to be lead-free (Pb-free) in production, and a policy to ensure elimination of substances specified in the RoHS Directive by the end of financial year 2004.
- Provision of a dedicated Environmental Intranet, providing comprehensive environmental information. This includes information on transport related issues.

Energy

Through the use of an internally developed *Design for Environment (DfE)* tool, based on *Life Cycle Assessment (LCA)*, PMCDE realised that the greatest environmental impact of its products is the energy consumed when users leave their mobile phone chargers on 'stand-by' after they have finished charging their mobile.

PMCDE continues to support the European Commission's *Code of Conduct on Efficiency of External Power Supplies*, which they signed in 2000. This sets challenging targets for reducing stand-by power losses between 2000 and 2005.

PMCDE continues to develop its products ensuring that targets set by the Code are met and even exceeded.

The latest model to be developed by PMCDE, the X-70, offers Blue Tooth technology and exceeds the European Commission's target.

In addition to addressing the energy use associated with the use of its products, PMCDE has also taken advantage of the *Action Energy* programme and had an energy survey of its premises undertaken by an external consultant. Subsequent energy modelling of the site is being initiated.



PMCDE's Head Office at Thatcham, Berkshire

Materials

At a global level Matsushita set a target for the removal of lead (Pb) from all manufacturing processes by the end of the financial year 2002. The latest model to be designed for Pb-free production is the X-70, released in 2003.

Waste

PMCDE's main source of waste is office related. A review of the company's waste management carried out in 2002 identified paper as being the main source of waste generated on site (four tonnes per year).

Together with a high profile training and awareness program amongst staff, a process to shred and recycle all paper-based waste was developed. This has been operational for 12 months in which time PMCDE has recycled four tonnes of paper, equivalent to saving 69 trees.

Social Responsibility

Corporate social responsibility (CSR) is managed under four main categories:

- Stakeholder issues - including customers' requests and supplier activity.
- Supply chain training - providing assistance beyond PMCDE's gates.
- Local community issues - delivering social improvements in the community.
- Tools for CSR reporting - assisting the Matsushita Group to implement CSR related reporting tools.

In 2003, PMCDE has been working with customers to ascertain their approach to CSR matters and how these can be captured in sales contracts.

Since attending a supplier conference in spring 2003, PMCDE was invited to a CSR workshop set up by Vodafone to explore co-operative opportunities in CSR. PMCDE is now embarking on a joint venture to assess how its Code of Conduct on matters relating to CSR impacts at a manufacturing site level.



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Panasonic staff 'Strip for Shelter' for the second year running

Panasonic regards itself as a committed member of its local community. Initiatives taken in 2002 include:

- 'Strip for Shelter' involved staff wearing the strip of their favourite football team in exchange for donations, which totalled £3,800 and were given to the charity Shelter.
- Toner cartridges were recycled for charity.

PMCDE promote educational programmes for staff and the local community, including Japanese language courses. It has funded many post-graduate courses including MScs and PhDs, the latest of which includes £7,000 per annum for an employee being sponsored for a PhD investigating environmental impacts of supply chain components and key performance indicators (KPIs) for corporate social responsibility performance of suppliers, as part of a *Sustainability Toolkit*. It also provides awareness raising activities to local schools on issues such as electronics, mobile phone production and the Japanese culture.

Panasonic Mobile support job-placement programmes for employees' families and students from local schools.

A social club has been set up to create a sense of community within the company. It is open to all staff and provides activities such as sports and cultural activities. The Intranet promotes these activities and highlights major events.

Staff initiate many CSR activities within the organisation. In addition to those already mentioned, individuals are engaged in other activities supporting charities and the local community.

Supply Chain Management

In 2001, PMCDE, together with European sister organisations, developed the *Matsushita Green Procurement Guidelines (European Version)*. These guidelines provide a rating system against which all new suppliers are assessed before PMCDE will consider working with them.

The guidelines, now a critical part of PMCDE's *Supply Chain Initiative*, inform potential new suppliers of the procedures that PMCDE follow during the supplier selection process. These include supplier self-assessment and subsequent audit by PMCDE. Whilst the guidelines currently concentrate on environmental performance of suppliers, expansion to include corporate social responsibility issues is being considered.

PMCDE has a cross functional group incorporating, design, procurement and environmental departments that has delivered:

- Criteria to ensure environmentally conscious component selection, including substance restriction guidance for suppliers and packaging requirements.
- Supply chain assessment material in Internet compatible format.
- A downloadable and user-friendly *Supplier Handbook*.
- All of the above available via easy to follow web pages.

Transport

Based on a staff survey completed in 2001, PMCDE has developed a *Green Transport Policy* that aims to:

- Reduce car usage amongst staff, particularly single occupancy journeys.
- Increase awareness and use of public transport.
- Increase the use of environmentally neutral forms of transport e.g. walking and cycling.

Within the new policy PMCDE identified actions to reduce transport impacts including:

- Provision of off-site access to email, providing scope for home-working.
- Increased provision of telephone and video-conferencing facilities.
- 100 cycle spaces and associated changing facilities.
- Funding local bus services allowing buses to be diverted to collect staff.
- Guidance on low emissions vehicles for staff.

PMCDE has recently developed an Environmental Section on its Intranet, providing information on environmental activities within the company. This includes:

- Local bus timetables.
- National and regional train timetables.
- Car sharing options.

Innovation

PMCDE is working with UNEP to develop global good practice for end-of-life issues associated with mobile phones, including recycling and refurbishment.

Awards

- Winner SEEDA Sustainable Business Awards 2002 - Large Company Category.



Sustainable Business Awards for the South East 2003

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