

# The Environment

## Environmental policy

The Company recognizes that as a responsible member of society it has an important duty to operate in harmony with the environment. We engage in business with the aim of contributing to the sustainable development of society through production activities that respect environmental integrity, and by developing environmental preservation technologies.

### Action plan

1. We aim to carry out environmental tasks in an organized way, and to implement environmental preservation activities continuously.
2. We will set appropriate objectives and targets for reducing the burden our activities impose on the environment.
3. We aim to provide society with products and services that contribute to the preservation of the

environment, as detailed below.

- (1) Through our products we endeavor to increase our value to society in terms of environmental protection, safety and hygiene.
- (2) We provide products and services to reduce environmental loads by obtaining a clear grasp of environmental needs and technical development.

### Common policy for plants

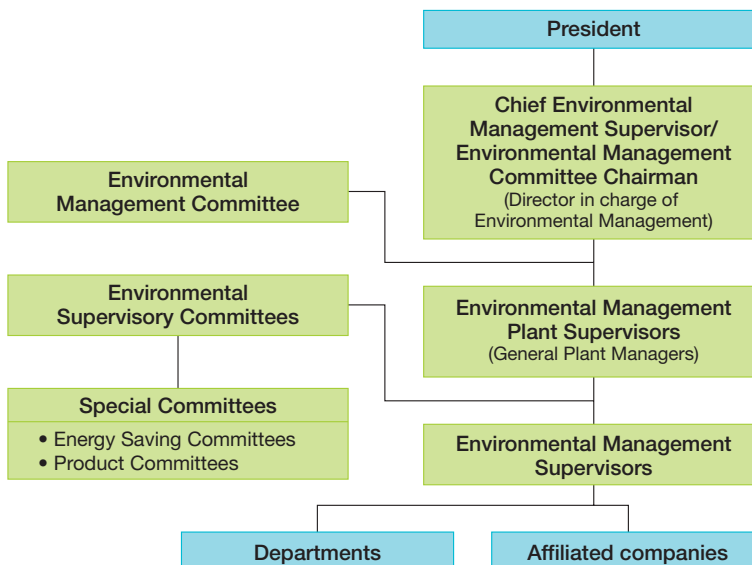
Taking into consideration its business activities, the local community and the surrounding environment, each plant sets out its own environmental policy, objectives and targets using methods compliant with international standards and operates in line with the following guidelines.

1. Respect laws and regulations and agreements we have concluded with external parties.

2. Prevent pollution and reduce and appropriately treat waste.
3. Improve "resource productivity" through implementation of energy efficiency, resource efficiency, and recycling.
4. Inform employees and affiliates that operate our plants of our policies and require their cooperation.

### Environmental Management System

The Environmental Management Committee, headed by the Director in charge of Environmental Management, determines matters such as annual environmental management policies and programs of environmental activities for the whole company. Each plant has its own Environmental Supervisory Committee, which promotes environmental management activities and works hand in hand with other group companies to reduce the environmental impact of the Company's activities.



## Latest Medium-Term Environmental Plan

In view of the shifting social climate in relation to the environment, not least the Kyoto Protocol coming into effect, we formulated a new Medium-Term Environmental Plan (2006-2010) in 2006. The main points are as follows.

1. Continuing to promote activities geared towards maintaining environmental management systems, legal compliance and communication with stakeholders on a Group-wide basis.
2. Continuing to promote efforts to raise target levels for energy-saving activities to help increase production efficiency at individual plants and resource saving and recycling activities to contribute to the sustainable development of society.
3. Promoting existing measures to ensure the appropriate management of chemicals and reduce the environmental impact of our products on a priority basis to help prevent global warming and reduce environmental impact in the future.
4. Exploring possibilities for manpower-saving methods of collating environmental performance data and the rationalization of environmental management activities in preparation for new environmental regulations, which are expected to be made even tighter in the future.

## Environmental Preservation Activities

### Renewed ISO 14001 Certifications

In 1998, the Murooran Plant and the Hiroshima Plant acquired the ISO 14001 (1996) certification, an international standard for environmental management systems. These plants have renewed their certification through inspections for compliance with ISO 14001 (2004). The Yokohama Plant acquired the ISO 14001 (2004) in 2006.



### Environmental patrols

We regularly implement environmental patrols at each plant to verify management status and audit data relating to specific air- and water-related facilities, pretreatment facilities, oil-water separation tanks and other such facilities.



### Contributing to the Local Environment

We intend to continue undertaking cleanup activities in the area around our Hiroshima Plant twice a year in June and October as part of our overall program of social contribution activities.

