

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

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| <ol style="list-style-type: none"> 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 | <p>environment, as detailed below.</p> <ol style="list-style-type: none"> (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. |
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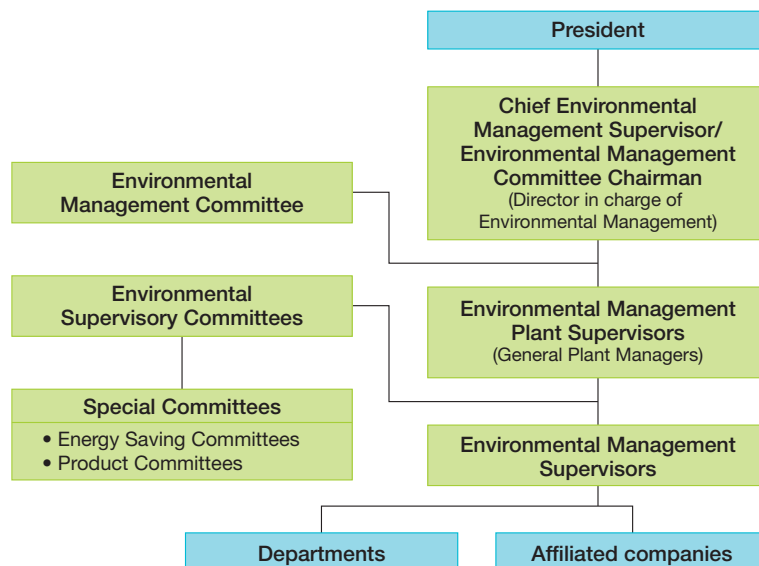
Common policy for plants

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.

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| <ol style="list-style-type: none"> 1. Respect laws and regulations and agreements we have concluded with external parties. | <ol style="list-style-type: none"> 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. |
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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.



Medium-Term Plan for Environmental Management Activities (Fiscal 2006-2010)

We are promoting environmental management activities at our Muroran, Hiroshima, and Yokohama plants. To upgrade our environmental management system, we are implementing various measures to step up environmental preservation activities. Social awareness has changed greatly regarding the need to deal with such issues as the mitigation of global

warming, saving energy, processing waste, and especially illegal dumping of industrial waste. During the five-year period from fiscal 2006 to fiscal 2010, we will take steps to achieve the yearly targets for environmental management activities set out in our medium-term plan.

Environmental Preservation Activities

Reducing atmospheric emissions of nickel compounds

At the Muroran Plant, we are conducting surveys to ensure that emission values are within prescribed standards as part of efforts to curb pollution caused by the release of harmful substances into the atmosphere.

Working together with the local municipal government since fiscal 2005, we have created our own voluntary controls, and have been conducting surveys to monitor emissions and determine the environmental burden posed by these emissions.



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.

