#### Interview with the President

# Open, fair and doing our best we can think of

Masamichi Takemoto, President



# President Takemoto, as a person who often goes abroad on business, what sort of impression do you have of the environment on the global level?

Takemoto: I personally feel that cities around the world have been getting cleaner year-after-year. In all of the countries I have visited, young people seem to appreciate a clean environment and don't litter. This is wonderful to see. As for Japan, if we make a comparison against how it was before, air and water pollution have indeed been reduced. I remember going to Yokkaichi, Japan for factory training as a student. Children in the city had to wear masks embedded with activated charcoal. Back then, smoke billowing from a smokestack was a sign of prosperity, but if you think about how environmentally-conscious people are nowadays, these are totally different times. The issue of air and water quality has shifted today to global warming and hazardous chemical substances that cannot be seen with the naked eye. We are at a point where real efforts are needed.

## What is your understanding of the environmental issues at Nitto Denko?

Takemoto: The first thing that comes to mind is the reduction in discharge of industrial waste and organic solvents. At present, action such as to incinerate released matter is taken at the point of discharge, but this is not

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the full solution. We need to reexamine production processes so as not to generate waste at all and make further improvements to reduce our use of organic solvents.

We are currently introducing an environmental accounting system that converts the amount of waste and organic solvent discharged from any production process into a monetary value so that we can understand how much it is costing or will cost us. By doing this, we can see the total

monetary loss of wasted material. We

also think it will help employees to

change the way they think.

outlawed the use of solvents? In our present state, we could not continue our production activities. So that situations like this do not occur, we must aggressively move ahead with activities that look 5 years or 10 years down the road, even if it costs us money to do so.

Our products also can be useful to customers in their efforts to make articles of low environmental load or to undertake environmental protection activities. In other words, there is also the availability of greater business opportunities.

we do if regulations completely

### In what specific areas is Nitto Denko placing its efforts?

Takemoto: In regards to tape manufacturing processes, we have developed technology such as hotmelt adhesives that do not use organic solvents, and are currently working to broaden the range of applications. We also continue to install deodorizing equipment to treat the emissions of organic solvents before their release into the atmosphere. In fact, in the three years leading up to 2002, the treatment rate has steadfast improved from 84.1% to 87.7% and 92.4%.

years already account for more than 40% of our consolidated sales and the percentage of that occupied by environmental products is constantly increasing.

#### Before we finish, is there anything you would like to say to the readers of the environmental report?

Takemoto: First of all, I would like to thank them for showing their interest in our environmental activities. As a supplier of 12 types of products that hold the top market share globally, Nitto Denko has always desired to be open and fair, and has thus acted accordingly. With regards to our environmental report, certainly it would mean nothing in terms of information disclosure if no one were to read the report, so this year we are attempting a much more major publication.

Because of the way technology is progressing and how society is reacting to that progress, environmental activities will someday change to simply "doing what is right". Nitto Denko promises to disclose its internal decisions both inside and outside the company, and humbly listen to what people have to say.



## How will Nitto Denko go about resolving these issues?

Takemoto: By faithfully keeping our promises. This is our starting point. For example, there is the reduction in greenhouse gas emissions (CO<sub>2</sub> etc.) that Japan committed the nation to at COP3. At Nitto Denko, we have set reduction targets for lowering the consumption of energy for each product unit, and these are targets which we must now clear. We also must reduce our environmental risks to the absolute minimum. For example, what would

Minimizing the risks while maximizing our chances to do business. When pondering these two topics, technological strength comes to mind as the common factor. For example, production technology that enables high performance products without the use of solvents. Or, development technology that creates environmental products of the high added-value that customers seek. I think this is the key.

In 2001, in line with the PRTR (Pollutant Release and Transfer Register) Law in Japan, we disclosed that our Toyohashi plant released 1,700 tons of toluene, which was the fourth highest in the country at the time. Nevertheless, using the measures I mentioned earlier, we reduced this figure to 1,100 tons in 2002 and are targeting half of that for fiscal 2003.

In other areas, we are aggressively marketing new products of low environmental load. The products we've developed in just the past three



We will dedicate greater efforts to improving production processes so as to reduce environmental load.

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