

Environmental Practice

Proper Management of Chemical Substances

As is often reported in the media, chemical substances suspended in the atmosphere or that have leached into the soil may have a damaging effect on the human body, environment and ecosystems. Whilst the Nitto Denko Group uses various kinds of chemical substances as product material and throughout our manufacturing processes, their usage is controlled through the Nitto Denko Group's own Regulations on Voluntary Management of Chemicals, which has stricter requirements than relevant external laws and regulations.

Managing the Use of Chemicals under the Voluntary Management Standard

The Nitto Denko Group uses various chemical substances in its manufacturing processes and research and development activities. Their usage is strictly controlled through the Voluntary Management Standards which are more stringent than the legal standards of most of the countries.

Chemical substances prohibited by the EU directive on the Restriction of Hazardous Substances (RoHS) such as lead, cadmium, hexavalent chrome, mercury, polybrominated biphenyls and polybrominated diphenyl ethers are also not used in other countries outside the EU. Only in very rare circumstances, where no other alternative chemical substitute exists and with the permission of the person(s) in charge of quality and safety of products, is permission granted to use such chemicals. The Nitto Denko Group has established the Chemical Substances Control Center which intends to oversee that chemical regulations are being enforced. The center will aim to strengthen the effectiveness of the control system throughout the future.

Promoting Our Products at *Eco-Products 2006*

Most of the Nitto Denko Group companies engage in the production of in-process materials. Given this the end users of our products or external customers rarely have the chance to see all that we produce. Similarly we do not benefit from the experience of hearing comments and suggestions offered from our external customers about such products.

In 2006, we participated in *Eco-Products 2006*. We exhibited panels illustrating and demonstrating the relationship between our products and environmental conservation. A part of our exhibition involved displaying filtration membrane equipment demonstrating to visitors the water filtration process that the Nitto Denko Group uses. On the day a great number of people came to our display and we were fortunate to have received many valuable comments from approximately 5,100 visitors.



At the Nitto Denko display at *Eco-Products 2006*

Results from Ibaraki Office Soil Investigation

Surface soil testing under the Soil Contamination Countermeasures Law* was carried out at the Ibaraki Office. Mercury, fluorine and benzene at limits exceeding the legal limit were detected. We published the results in the press on 18 April 2007. We were concerned about the possible exposure of these chemicals at deeper soil levels but were relieved that the chemicals had not permeated beyond one meter in depth. We also conducted an investigation on groundwater at the Ibaraki site. The results of which were all compliant with acceptable average levels.

As most of the confirmed polluted areas are under paved areas or under buildings, it is unlikely that the contaminated soil will move. Given this it is unlikely that contaminated material will spread to neighboring land. We will remove the contaminated soil in accordance with the current laws and government department requirements within 2007.

Results from Kameyama Plant Soil Investigation

As was the case in Ibaraki, findings from the Kameyama Plant investigation also indicated that excess amounts of polychlorobiphenyl (PCB), fluorine and fluorinated elastomer were present in the soil. We advised the Mie Prefecture of these results on 10 August 2006. The soil where PCB was detected was dug over and removed and is now being stored in a storage area of the plant. The results of groundwater investigations indicated that all chemical levels were within acceptable legal limits. Given this it was concluded by Mie Prefecture that the pollution detected in some soil areas had not spread outside the plant.

*Soil Contamination Countermeasures Law

The Soil Contamination Countermeasures Law obligates the owners of land to carry out soil contamination investigations of land and to provide notice of the results to public administrators who would then determine the appropriate action that would need to be taken including situations where factories are closed down.