

Environmental Management Basic Policy and System of Promoting Environmental Conservation

Environmental conservation activities are part of management at Nitto Denko where “harmony with nature” are included in the management concept and “working to conserve the natural environment and save resources” are a standard for action. In accordance with the corporate environmental policy established in 1996, the company has established a system of advancing environmental policy that covers the entire company, from main office to production plants, centered around the environment committee.



Creating New Value

- Creating functional products that satisfy customers.
- Respecting the individuality of all employees and enabling them to achieve personal fulfillment through their work.

- Remember that our customers deserve exceptional product quality and outstanding service.
- Always put safety first.
- Approach every task with motivation and diligence.
- Use ethics and the law as your guides.

• Respecting the environment and contributing to the global community.

• Strive to protect the environment and conserve natural resources.

CORPORATE ENVIRONMENTAL POLICY

Philosophy

At the Nitto Denko Group, we recognize that maintaining the health of the earth for coming generations requires that humanity seriously address the issue of global environmental conservation. Consequently, the Nitto Denko Group, through its adoptions of the corporate vision "creating new value," is committed to respecting and acting in the best interests of the environment, both locally and globally, in all its operations.

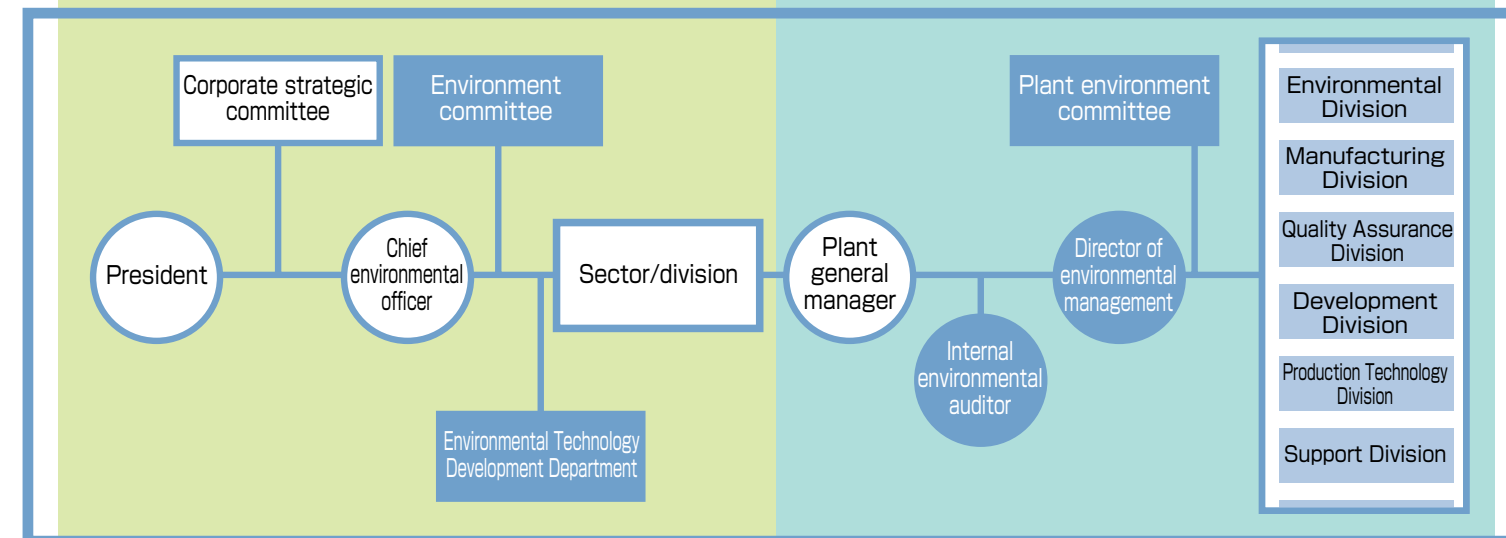
Environmental Policies

1. We will develop an internal environmental management system that promotes effective environmental preservation.
2. With a proper understanding of the environmental impact of our operations, we will develop internal environmental objectives and targets as far as is technically and economically practicable; moreover, we will pursue these objectives and targets in an organized manner to ensure the continual improvement of our environmental preservation efforts.
3. Our technical and product development will focus on the reduction of environmental load.
4. We will continue our efforts to conserve resources and energy, reduce industrial waste, and promote recycling in all aspects of our operations.
5. As part of our dedication to reducing the load on the environment, we will develop alternative technologies intended to reduce consumption of the sources of environmental pollution as well as to control emissions of environmental pollutants to the greatest extent feasible.
6. We will comply fully with environmental laws, regulations and agreements, and will impose our own environmental criteria as required in the interests of environmental preservation.
7. We will make sure that our employees receive environmental training and information so that all understand the significance of our Corporate Environmental Policy, have increased awareness of the importance of environmental preservation, and act on our Corporate Environmental Policy.
8. We will conduct periodic environmental audits in order to monitor the effectiveness of our environmental management strategy and identify areas requiring improvement.
9. As part of our social contribution, we will publicize proprietary technologies and information that are likely to benefit the environment.

This Corporate Environmental Policy is for public release.

System of advancing environmental policy for the entire company

The environment committee that meets twice a year is the highest company organization for discussing environmental matters. The decisions of the environment committee are applied to all company facilities. The plant general manager of each of our domestic production plants serves as the supervisor of environmental matters, and appoints the members of the plant environment committee, the director of environmental management, and the internal environmental auditor. An environmental management system suitable for the plant is implemented, maintained and improved, and environmental conservation activities are carried out in accordance with the various policies.



Environment committee

The environment committee is comprised of the chief environmental officer, the plant general manager, and members of the Environmental Technology Development Department. The primary function of the environment committee is to plan and put plans in motion to carry out environmental activities, to solve specified problems and to set up special subcommittees to carry out environmental activities. The environment committee is the highest company organization for discussing environmental matters. The matters discussed by the environment committee are forwarded to the corporate strategic committee to be decided and put into action.

Environmental Technology Development Department

Dedicated to environmental conservation, the Environmental Technology Development Department carries out the following activities and supports environmental conservation activities for the entire Nitto Denko group, particularly the technical aspects.

- Arrangement of environmental budget
- Establishment of environmental management system and expansion of system to all companies in Nitto Denko group
- Reduction of environmental risk
- Advancement of voluntary plan
- Disclosure of information and PR concerning the environment
- Control of chemical substances that have a negative impact on the environment

Internal environmental auditor

The internal environmental auditor directly appointed by the plant general manager annually audits the plant environmental management system to see if it is operating efficiently, targets of improvement are being achieved, and regulations are being followed. Environmental auditing is also conducted annually by people from another plant to enhance integrity of the system.

Director of environmental management

Appointed by the plant general manager, the director of environmental management is in charge of implementing, operating and maintaining the environmental management system. The director of environmental management is also provided with authority and responsibility regardless of company rank. Acting as an agent of the plant general manager, the director of environmental management is responsible for operating and upgrading the plant's environmental management system.

Plant environment committee

The plant environment committee is the highest organization for discussing environmental matters. The director of environmental management serves as the chairman of the committee and is comprised of the managers of the various divisions as well as the plant general manager. The committee meets once a month. The committee primarily checks up on whether environmental objectives and targets are being met, studies environmental problems at the plant, and sees to it that the environmental management system operates reliably while continuously devising ways to improve the system.