

## Practices for Environmental Conservation

### Energy Conservation

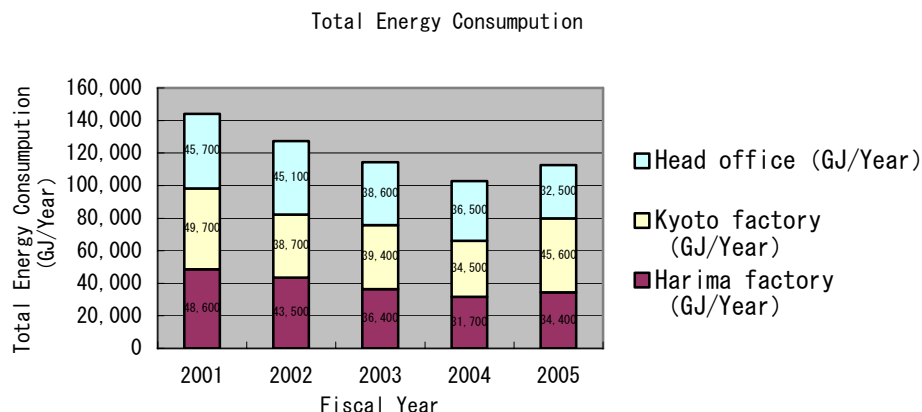
The charts below show the total use of power, fuel energy and water resource at the Harima and Kyoto factories and the Head office.



Cherry blossoms at Shukugawa Park

#### ○ Summary of Total Energy Use

Although we have undertaken to reduce total energy use, extra energy was needed for the development of a new boiler by Nippon Thermo-Ener Company inside the Kyoto factory, raising usage by 9.5%. The increase at Harima factory was due to increased analysis work at the Kankyo Sol-tec Company within the Harima factory.



Note: The per unit heat output of the fuel and electricity from the grid is based on official guidelines.

#### ○ Summary of Water Use

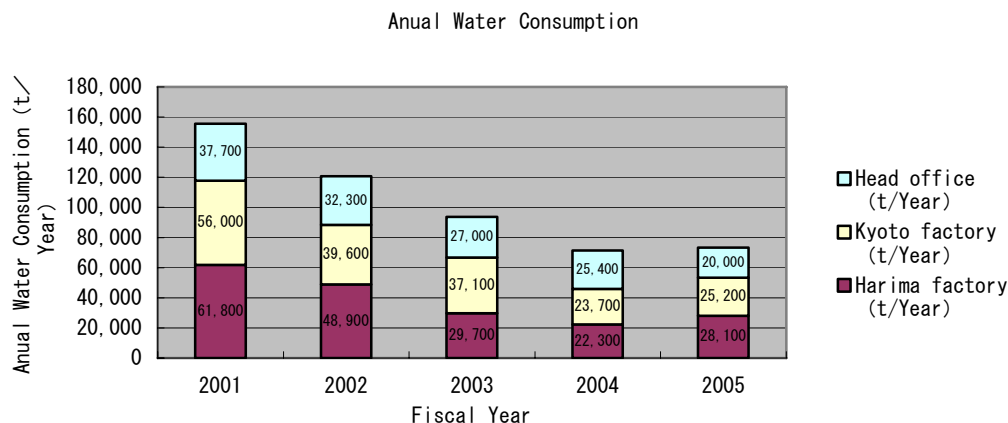
In the factories, water is used for cooling and rinsing equipment, and for rinsing as an analytical agent in laboratories and during analytical operations. In the Head office, it is used for the employees' personal uses, for cooling the air-conditioners, for watering trees and replenishing the water level of the fountain. All the water comes from the municipal water system.

Effluent water from the factories is treated to keep it within the effluent standard before being discharged through the registered outlets. The household effluent from the Head office is

discharged to the city sewer network.

Harima factory is located within the Takasago Harbor area that is covered by the "Special Law for the Protection of the Inland Sea," and where more severe concentration and volume limits than normal effluent standards apply. We periodically sample the effluent at each registered outlet to ensure the effluent quality meets the regulated and announced values, and the results are sent to Hyogo Prefectural Office and Takasago City Office.

The degree of water usage has leveled off when current figures are compared to last year.



## Practices for Environmental Conservation

### Prevention of Global Warming

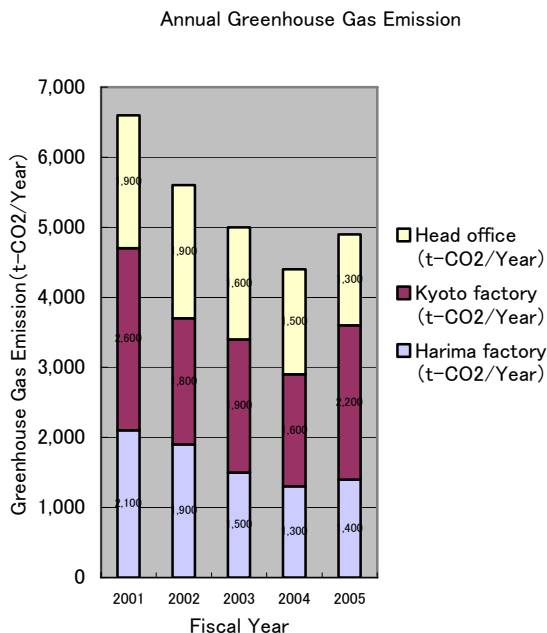
The only greenhouse gas we are releasing is carbon dioxide (CO<sub>2</sub>). The annual amounts of CO<sub>2</sub> emissions from each site for the past five years are shown in the bar chart below. Since the activities in our factories center around machinery assembly, the environmental load generated is not as large as in some other industries.



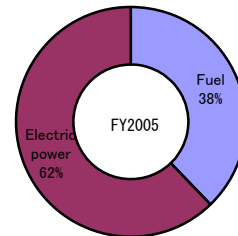
Cherry blossoms at Suma Park

### ○ Summary of Greenhouse Gas Emission

The greenhouse gas emissions, calculated in terms of CO<sub>2</sub> for fiscal 2005, increased by 9.5% compared to the previous year. This is because the amount of fuel used for the new boiler development increased, as mentioned previously.



Breakdown of Greenhouse Gas Emission



As shown above, greenhouse gas from electricity amounted to nearly 1.6 times that of fuel.

Note:

1. The CO<sub>2</sub> emissions figures were calculated using factors based on government guidelines.
2. Emission figures include those from the fuels we used and from the electric power we purchased. The electricity conversion factor was also based on the stated guidelines.

### <TOPICS> Practices at the office

- Controlling thermostat settings
- Changing lighting fixtures to energy-saving types, and reducing the number of units
- Changing air-conditioning units to energy-saving fan-coil types
- Promoting “Lights off when you go away” drive for break periods and summer vacation
- Monitoring energy saving by installing individual meters
- Reducing the number of company cars

Each one of these initiatives may save just a little, but it will add up, and it heightens everyone’s environmental awareness.

## Practices for Environmental Conservation

### Waste Management

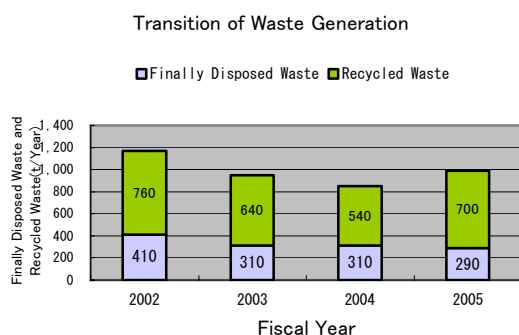
Of the waste we generate from our business activities, recyclables and reusables are sold to scrap dealers while non-recyclables and non-reusables are collected by haulers, processors or disposal dealers, in accordance with the "Industrial Waste Control Manifest" system.



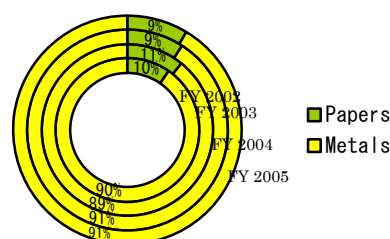
Shoufukuji Temple and its cherry blossoms

#### ○ Waste generation and recycled portion

The increased volume of waste substance is caused due to the development of a new boiler at the Kyoto Factory, as stated previously.



Percentage of Recycled Items



#### ○ Waste control at construction sites

At many construction sites, waste is controlled in the same manner as in the factory. This is implemented according to the Construction Debris Manifest. The main waste items include non-combustibles and combustibles. We are

striving to reduce waste generation and increase recycling. In addition, each site checks its electric power use and records of waste control activities are regularly reported.

### Controlling chemical substances

Although our business activities do not involve many varieties of chemicals, we do use a few designated chemical substances. For this reason, for materials specified under the PRTR law, we report and register details with the relevant government agencies.

#### ○ Dichloromethane (CAS No.75-09-2)

Usage: Rustproofing paint on structural steel for boilers etc.

FY	2002	2003	2004	2005
Emission (t)	1.0	1.1	0.2	0.2

Countermeasure: In June 2004 we adopted a rustproofing paint without dichloromethane for low-pressure boilers, thus reducing emissions.

#### ○ Xylene (CAS No.330-20-7)

Usage: Rustproofing paint on structural steel for boilers etc.

FY	2002	2003	2004	2005
Emission (t)	0.5	0.9	1.3	1.3

Emissions rose in FY 2004, as we had to rustproof stored materials due to the typhoon. It also increased in 2005, due to larger volume of shipment using rustproofing paint.

#### ○ Toluene (CAS No.108-88-3)

Usage: Used for chemical analyses inside the analytical laboratory.

FY	2002	2003	2004	2005
Transfer (t)	1.7	1.7	1.4	1.6

After use, all materials are taken away by waste-solvent dealers for disposal.

## Practices for Environmental Conservation

### Green Procurement

Here are some examples of so-called “green procurement,” namely the preferred purchasing of environment-friendly products.



Cherry blossoms at Ishigaya Park

### ○ Examples of Preferred Purchasing of Environment-Friendly Products

- Office Stationary: File folders using recycled paper; business card stock using bagasse; pipe-type file folders that can be segregated before discarding
- Printing Paper: We use 70% recycled-paper stock (brightness: 80%).
- Equipment: Priority is given to items such as computers with “Energy Star” labels (indicating power saving), and copiers using recycled plastic materials.
- Work overalls: These are made of cloth incorporating more than 51% recycled PET bottle-derived fiber. For a suit of work overalls (top and bottom), roughly 11 two-litre PET bottles are used as the raw material. Our additional issuing of overalls for 2005 means that we re-used nearly 1,500 PET bottles.

<Labels used to identify environment-friendly products>



Green Mark



Eco-mark



Eco-mark on our work overalls  
Material composition  
Recycled Polyester : 65%  
Cotton : 35%



This product contains 70% recycled-paper.  
Recycled paper used



“Energy Star” mark

We are making extensive use of environment-friendly products and equipment that carry such emblems as demonstrated above.