



For Environmental Protection

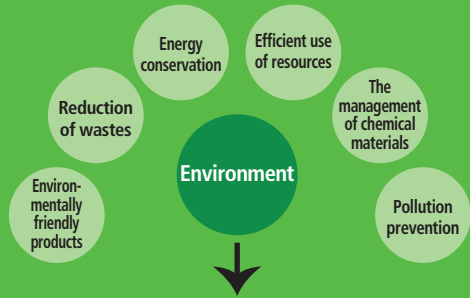
The CO₂ and wastes generated by our business activities have an impact on the local and global environment. We work toward environmental preservation through means including energy conservation, effective use of resources, appropriate management of chemical materials, and development and provision of environmentally friendly products.

CSR Policy

► Environmental Policy

As a globally developing core manufacturing corporation, we are aiming to simultaneously realize environmental preservation and corporate growth, based on the participation of all our employees, in order to contribute to the construction of a sustainable society.

Concern for the global environment



Making the environment and communities *Happy*

by meeting the above

Formulating Global Eco Vision 2020 and launching activities

In our activities for environmental conservation, we set medium-term environmental targets. From fiscal 2016, we have drawn up a vision for our company and launched activities under Global Eco Vision 2020.

We set four important environmental tasks, “Natural resources”, “Global warming”, “Toxic, hazardous chemicals” and “Key quality (Environmentally-Friendly products)”, under Global Eco Vision 2020. By tackling these tasks through our business activities and on a foundation of legal compliance, communication, and raising consciousness of the environment we will work to enhance our manufacturing power, increase our brand value, and contribute to not only the sustainable development of our company, but of society, also.



Comment from a participant in formulating Global Eco Vision 2020

Nakamura

Environment and Safety Management Dept.

It is important to undertake environmental activities from a long-term standpoint and with all participants focused on the same things. While our company had already been engaged in activities established under Eco Vision, the name for our medium-term environmental targets, in April 2016 we established Global Eco Vision 2020, which depicts our vision for the company in fiscal 2020.

Global Eco Vision 2020 aims to align the direction of managerial tasks, business tasks, and environmental activities. It was shaped through considerations of what society demands of us and what is important for us as a company, with a particular focus on important environmental issues.

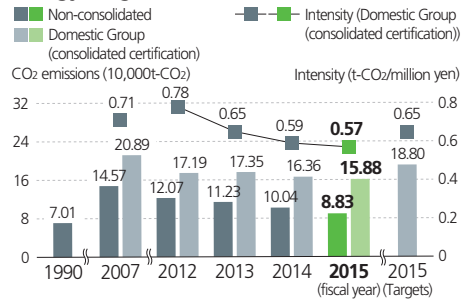
I was involved in its formulation as a member of a cross-departmental working group. Under the Vision, we will push ahead with environmental activities in a way that lets employees come together as one, and will strive to provide true value in terms of the environment.



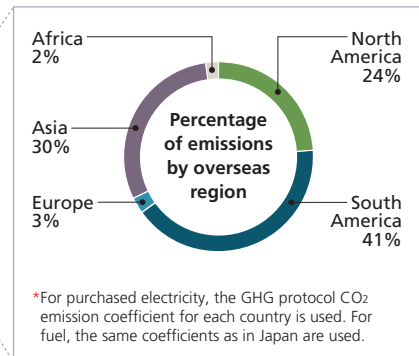
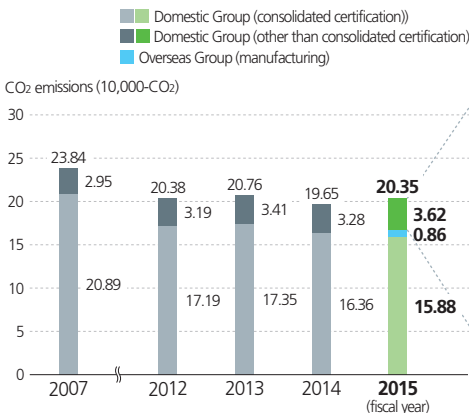
Meeting Our Target for Reducing CO₂ Emissions

In fiscal 2015, our CO₂ emissions was 158,800 tons, meeting our fiscal 2015 target of 188,000 tons and also lower than in fiscal 2014. In addition, intensity of emissions improved by 20% compared with fiscal 2007. The target was attained through updating of facilities (for energy efficiency) and achieving an energy-savings effect by revising our manufacturing conditions.

Transition of Emission Volume of Energy-Origin CO₂ (Offices and Plants)



Trend in CO₂ Emissions



*The numbers for FY2015 include emissions for domestic Group companies that are not included in the consolidated certification.



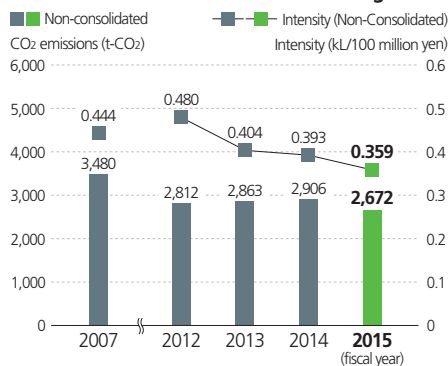
For Environmental Protection

Energy Conservation during Transportation

As a Specified Consigner designated under the Act on the Rational Use of Energy, we endeavor to reduce CO₂ emissions during transportation. In fiscal 2015, our energy use intensity was 0.359 kL/100 million yen, which fell below the target of 0.408 kL/100 million yen.

This is attributable to measures by transportation departments, such as reducing packaging weight through changes to the form of packaging, switching to more local waste disposal firms, and shortening transport distances through plant reorganization and consolidation.

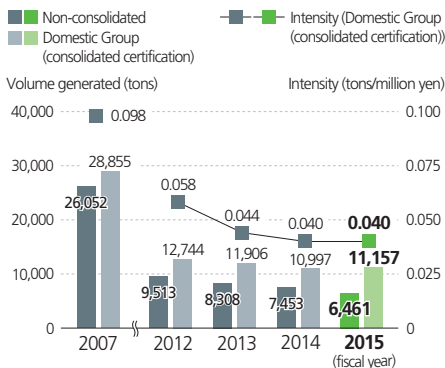
Transition of CO₂ Emissions as Consigner



Reduction of Waste Generated

In fiscal 2015, the waste intensity was 0.040 tons / million yen. By reducing the amount of ceramic sludge produced in our manufacturing process and increasing manufacturing process yield, we have lowered the waste intensity 59% compared with the fiscal 2007 level.

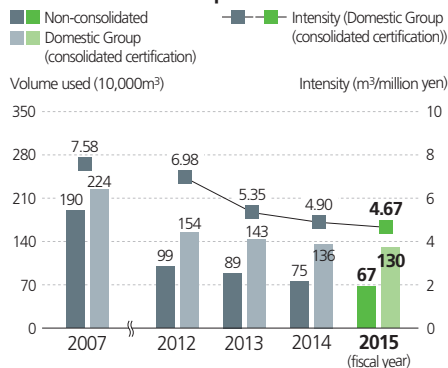
Trends in Volume of Waste Generated



Reducing the Amounts of Tap and Well Water Used

In fiscal 2015, our water use intensity was 4.67 m³ / million yen. Water use intensity improved by 38% compared with fiscal 2007 due to conserving water by changing manufacturing conditions and upgrading and updating to equipment with a high water-savings effect.

Trends in Volume of Tap Water / Well Water Used

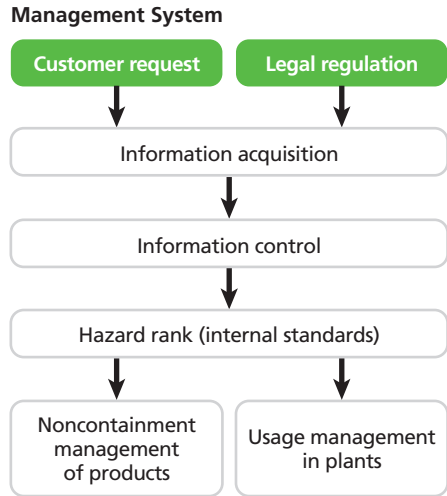


Handling of Hazardous Chemical Substances within the Group

To respond appropriately to increasingly strict chemical substance regulations worldwide, we perform non-containment management for products and usage management within plants.

For hazardous chemical substances, we set hazard rankings according to toxicity and the strictness of regulations, and establish handling standards for each rank. In fiscal 2015, we reviewed the operation of our hazard rankings and strengthened our structure for examinations of whether to use a substance.

From here on out, we will work toward substitution of hazardous chemical substances and the strengthening of management, to assure compliance with laws and with the demands of customers.



Developing Environmentally Friendly Products

Our company provides products that contribute to the environment, including spark plugs and automotive oxygen sensors that help improve fuel efficiency and purify exhaust gases from automobiles, as well as LED packages and cutting tools that are long-lasting and help conserve energy and resources. We are also undertaking development of new products in the environmental area, such as solid oxide fuel cells (SOFCs).

From here on out, we will strengthen activities to promote energy and resource conservation more than ever in the manufacturing process, by working these into the design stage. Through this, we will advance development of products that contribute to the environment in terms of both product functions and manufacturing processes.