

# Environmental Risks

## Fiscal 2011 Topics

- Measures to prevent chemical substance leakage, such as placing pipes aboveground, are underway.

## Environmental Risk Management

Inherent in business activities are various risks including environmental incidents and pollution. NGK SPARK PLUG Group identifies these risks and endeavors to reduce and/or prevent them.

### Soil Survey

We clarify our soil surveying method, auditing period, and evaluation standards to prevent soil or underground water pollution. We meet the accounting standards relating to our asset retirement obligations, and comply with the Soil Contamination Countermeasures Act revised in April 2010.

### PCB Control

Waste materials containing PCBs are stored at the Nagoya Plant, Komaki Plant and Nittoku Seisakusho Co., Ltd. We will continue to adhere to stringent control procedures until the day that waste containing PCB can be disposed of in a proper manner.

### On-site Confirmation of Waste Material Treatment

We regularly visit our waste disposers to confirm that consigned waste materials are being processed in accordance with our agreement. In fiscal 2011, we visited 48 companies.

### Preventing Chemical Leaks

To avoid the pollution of soil or water from chemical leaks, we take various measures at our facilities including double-layering storage tanks to prevent leakage and running pipes aboveground for prompt detection of leaks, and conduct regular inspections. We will also simultaneously enhance the operational and management aspects of our chemical substance handling.

### Drills for Emergency Situations

We hold regular drills for emergency situations to prepare for unforeseen accidents, etc. Pollution is prevented by projecting possible incidents in each department as well as the impact of such incidents.



Drill on hydrochloric acid leakage (Miyanojo Plant)

### Handling of Asbestos

We have been taking appropriate measures to prevent health hazards from asbestos. All asbestos used in our facilities has been completely removed. Some asbestos is still present in buildings as insulators, and we will continue to adhere to stringent control measures.

## Compliance Status

Details

To ensure compliance with environmental laws and regulations as well as agreements with local municipalities, etc., we set stringent voluntary standards to prevent violations and complaints. In fiscal 2011, there were two cases of legal violations, such as lack of notification stipulated by law, two noise complaints, and one odor complaint. These were handled promptly, alongside measures taken to prevent any recurrence.

### Numbers of Violations and Complaints

(cases)

| Fiscal year              | Violations |      |      | Complaints |      |      |
|--------------------------|------------|------|------|------------|------|------|
|                          | 2009       | 2010 | 2011 | 2009       | 2010 | 2011 |
| NGK SPARK PLUG CO., LTD. | 0          | 0    | 1    | 2          | 3    | 2    |
| Affiliates               | 1*         | 1    | 1    | 2          | 1    | 1    |

\* We discovered that there was an unnotified case involving an affiliate (situation remedied) in fiscal 2009, and therefore we scored 1 for violation.

### Handling violations and complaints in fiscal 2011

| Classification     | Plant/Company                | Situation  | Countermeasure   |
|--------------------|------------------------------|--|--|
| Violations         | Takenami Plant               | Did not submit the Status Report on Industrial Waste Control Documentation Issuance, etc., to the prefectural governor.  | Submitted the Status Report on Industrial Waste Control Documentation Issuance, etc., to the Gifu Prefecture governor late. Also standardized the procedure to prevent recurrence. |
|                    | Nittoku Seisakusho Co., Ltd. | Fluorine Recovery Process Control Documentation was issued upon discarding air conditioner units, but collection certification was not received within 30 days after issuance. | Received the collection certificate.   |
| Complaints (noise) | Komaki Plant                 | The pressure control relief valve of the cooling water pump was generating a vibrating noise.  | The valve was exchanged.   |
|                    | Komaki Plant                 | The exhaust fan of the Komaki Plant had deteriorated, generating a vibrating noise.  | The exhaust fan was exchanged.   |
| Complaints (odor)  | Kamioka Ceramic Co., Ltd.    | The exhaust from the dewaxing furnace was generating odor.   | The treatment process was reviewed to prevent odor-causing substances from being released into the air.  |