

# Air and Water Quality

We are continuing our company-wide efforts to reduce the burden on the environment, and when installing a new plant or expanding a plant, we try our best to prevent any increase in this burden through technological improvements. We will continue to make additional efforts in the future.

Progress on reducing atmospheric pollution includes improvements in SO<sub>x</sub> and NO<sub>x</sub> emissions. The Tokuyama Plant has increased purchases of externally supplied steam and the resulting reduction in boiler operating time has been beneficial in lowering emissions of SO<sub>x</sub> due to heavy oil and thermal NO<sub>x</sub>.

We have been working on measures such as recirculation to reduce total waste water volumes and a small decrease has occurred due to lower production volumes.

Waste water quality continues to meet the requirements of the Clean Water Act and agreements with local governments.

COD is a measure of organic compounds contained in waste water and although we have been working to

reduce COD emissions, the levels remain roughly the same as 2006 due to increased production of product ranges that produce a heavy COD load.

Regarding total nitrogen levels in waste water, to counter an increase in production at the Kawasaki Plant of products such as NBR (acrylonitrile and butadiene rubber) that are associated with high output of waste water by-products, new nitrogen elimination equipment has been installed to increase the removal of nitrogen from waste water. Although we have succeeded in reducing the total volume of nitrogen discharge across the entire company by 90 tons (or 62% compared to the previous year), we are continuing to work on improvements and better management.

